

No. 10961

United States
Circuit Court of Appeals

For the Ninth Circuit.

THOMAS W. NEALON,

Appellant,

vs.

HARRY W. HILL, a Receiver of Intermountain
Building & Loan Association, a Corporation,
Appellee.

Transcript of Record

In Two Volumes

VOLUME II

Pages 375 to 686

Upon Appeal from the District Court of the United States
for the District of Arizona

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Upon Appeal from the District Court of the United States
for the District of Arizona

ATTORNEYS OF RECORD

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Phoenix, Arizona.

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*Page numbering appearing at foot of page of original certified Transcript of Record.

In the District Court of the United States
For the Federal District of Arizona

No. E-268 Phoenix

GUADALUPE R. GALLEGOS, FRANCESCA
GALLEGOS, his wife, INGA G. GUDMUND-
SEN and MATA E. DEXTER, in their own
behalf and in behalf of others similarly
situated,

Plaintiffs,

vs.

INTERMOUNTAIN BUILDING AND LOAN
ASSOCIATION, a corporation,

Defendant,

H. G. SMOOT and SOPHIA SMOOT, his wife,
Intervenors.

APPLICATION OF RECEIVER FOR AP-
POINTMENT OF ATTORNEYS and
ORDER APPOINTING ATTORNEYS

To the Honorable Fred C. Jacobs, Judge of the
United States District Court:

The Application of H. S. McCluskey respectfully
shows as follows:

I am the duly appointed, qualified and acting
Receiver herein.

In the performance of the duties devolving upon
me under and by virtue of the order and decree
of the Court herein, it is necessary that I have, and
I desire, the services of counsel in connection with
the legal questions and proceedings involved.

The property embraced within the trust imposed upon me covers a number of states, and the problems placed before me involve the construction of many state statutes of the right of lienholding creditors of the Intermountain Building and Loan Association.

The records of said corporation disclose that there [4] are many suits now pending and many actions necessarily will have to be brought to protect the interests of the lienholding creditors and others involved in this matter, and the legal work involved is such that it will be necessary to have more than one attorney.

Your petitioner therefore recommends that the attorneys hereinafter named, each of whom has had many years of experience at the Bar of this Court and are qualified to assist me in the performance of my duties, be designated by this Court as my attorneys, to wit: Thomas W. Nealon and Elizabeth G. Monaghan.

Wherefore, your petitioner prays that an order be made herein appointing Thomas W. Nealon and Elizabeth G. Monaghan and that their compensation be fixed by order of this Court.

Dated this 29th day of November, 1935.

H. S. McCLUSKEY

Receiver

State of Arizona

County of Maricopa—ss.

H. S. McCluskey being first duly sworn on oath, deposes and says:

That he is the Receiver in the above entitled matter, and the applicant in the foregoing application; that he has read the same, knows the contents thereof, and that the same is true in substance and in fact.

H. S. McCLUSKEY

Subscribed and sworn to before me this 29th day of November, 1935.

[Seal]

C. MERION BERGE

Notary Public

My Commission expires: Oct. 4, 1938. [5]

[Title of District Court and Cause.]

ORDER APPOINTING ATTORNEYS
FOR RECEIVER

Upon Consideration of the application of H. S. McCluskey herein for the appointment of counsel for him as Receiver in the above entitled suit,

It Is Hereby Ordered that Thomas W. Nealon and Elizabeth G. Monaghan are hereby appointed attorneys for said H. S. McCluskey, Receiver herein.

Dated this 30 day of November, 1935.

F. C. JACOBS

Judge

[Endorsed]: Entered filed Dec. 2, 1935. [6]

[Title of District Court and Cause.]

RECEIVER'S PETITION PRAYING FOR INSTRUCTIONS CONCERNING TRIP TO UTAH AND OTHER STATES IN REFERENCE TO AFFAIRS OF INTERMOUNTAIN BUILDING & LOAN ASSOCIATION, AND AUTHORIZING EXPENSES THEREFOR

Comes Now H. S. McClukey, Receiver herein, he having been heretofore duly appointed, qualified and now acting as such, and represents to the Court as follows:

That the assets of the defendant corporation which has come into his hands as receiver herein consists largely of promissory notes secured by mortgages upon real estate situated in Utah, Wyoming, Idaho, Oregon, California, etc.

That it is necessary for your receiver and his counsel to investigate the condition of the securities in each of these states and the handling of the affairs of the defendant corporation in each of these states.

That in each of these states there is at this time certain proceedings pending in regard to the property of the defendant corporation therein and the same is in the custody of officials or receivers designated in these states for the handling thereof, all of which actions have been taken subsequent to the time when this Court obtained the constructive possession [7] of the assets of the defendant corporation as appears from the records of this Court.

That it is necessary for your petitioner and his counsel to visit these states to ascertain what steps must be taken for the protection of the assets of the defendant corporation and the necessity of the appointment of ancillary receivers in each of the different jurisdictions for the protection of the interests of the estate.

That owing to the nature of the investigations to be made and the necessity for personal interviews with the present custodians of the property of the defendant and the necessity for consultation with various courts and officials having custody or control of the same, or asserting any custody or control thereof, it is impossible to attend to these matters by correspondence or through agents, and for this reason it is absolutely essential that your receiver and his counsel visit each of these jurisdictions.

That your receiver and his counsel will necessarily undergo considerable expense in the making of this trip and the investigations required.

That your receiver requests that Thomas W. Nealon be designated to accompany him as counsel upon this trip.

Wherefore, your petitioner prays that this Court authorize him and Thomas W. Nealon, his counsel, to make said trip to the various states in which assets of the corporation are situated for the purpose aforesaid, and that your receiver be authorized to take from the funds in his hands such sums as this Court may designate for expenses for himself

and for his counsel on said trip, your petitioner to render an account thereof to this court. [8]

Dated this 28th day of November, 1935.

H. S. McCLUSKEY

Receiver

State of Arizona

County of Maricopa—ss.

H. S. McCluskey, being first duly sworn on oath deposes and says: That he is the Receiver of the Intermountain Building and Loan Association, and the petitioner in the foregoing petition; that he has read the same, knows the contents thereof, and that the same is true in substance and in fact.

H. S. McCLUSKEY

Subscribed and Sworn to before me this 29th day of November, 1935.

[Seal]

C. MERION BERGE

Notary Public

My Commission expires: Oct. 4, 1938.

[Endorsed]: Filed Dec. 2, 1935. [9]

[Title of District Court and Cause.]

ORDER AUTHORIZING RECEIVER AND HIS
COUNSEL TO MAKE A TRIP TO UTAH
AND OTHER STATES AND ALLOWING
EXPENSES THEREFOR

The Petition of H. S. McCluskey, Receiver herein, coming on to be heard, the petition request-

ing instructions concerning a proposed trip to Utah and other states for the purpose of inspecting the securities of the defendant corporation in such states covering the property now in the possession of this court by virtue of the decree hereinbefore rendered, and for conferences with the custodians of the property of the defendant corporation in such states; and for conferences with such courts and officials who may be exercising any control over any property of the defendant corporation; and for the purpose of investigating the necessity for ancillary proceedings in any of such states, legal or otherwise, for the protection of the assets of the defendant corporation now in the custody of this Court; and for the purpose of entering into arrangements for the care, custody and protection of such assets; and praying that this court authorize said receiver and Thomas W. Nealon, his counsel, to make such trip and expend the necessary amount of money for the expenses of such trip; [10]

And it appearing to the Court that it would be for the best interests of said Intermountain Building and Loan Association, and its lienholding creditors that such trip and such investigation be made by said receiver and his counsel, and would be of great value to the estate in the preservation and administration of the assets of said defendant corporation, and in the expeditious and proper handling of the estate,

It Is Therefore Ordered that the Receiver and Thomas W. Nealon, his counsel, are hereby authorized to make such trip for the purposes *and*

aforesaid, and that the said receiver take from the funds in his hands as such receiver the sum of One Thousand (\$1000.00) Dollars to pay the expenses of himself, and a like sum to said counsel for said counsel's expenses in connection with said trip, each of them to render an account of such expenses to this Court.

Dated this 30th day of November, 1935.

F. C. JACOBS

Judge.

[Endorsed]: Entered. Filed Dec. 2, 1935. [11]

[Title of District Court and Cause.]

ORDER FOR MONTHLY ALLOWANCE TO
H. S. McCLUSKEY AS RECEIVER AND
DIRECTING THE PAYMENT THEREOF

Upon Reading and Filing the verified Petition of H. S. McCluskey, Receiver in the above matter and upon investigation of the facts set up therein and the Court being fully informed in the premises and finding that it is necessary and proper that an allowance should be made to H. S. McCluskey for his services as Receiver in the above entitled cause and that he had devoted practically all of his time to the affairs of said Receivership subsequent to November 11, 1935.

Wherefore, It Is Ordered by the Court that H. S. McCluskey, as Receiver of the above estate, is hereby authorized and directed to pay to himself

for his services as such Receiver, the sum of \$500.00 per month on account of fee to be eventually ascertained and fixed by the Court; that he be authorized and directed to immediately pay to himself for his services as such Receiver, from the 11th day of November, 1935, to the first day of January, 1936, at the said monthly rate, and the sum of \$500.00 monthly on the first day of each and every month thereafter on account of said fee until further order of this Court.

Dated this 28th day of January, 1936.

F. C. JACOBS

Judge [12]

[Endorsed]: Entered. Filed Jan. 28, 1936. [13]

[Title of District Court and Cause.]

ORDER FOR MONTHLY ALLOWANCE OF
ATTORNEY FEES TO ELIZABETH G.
MONAGHAN

Upon Reading and Filing the Petition of H. S. McCluskey for the allowance of attorneys fees and due consideration thereof and the Court being fully informed as to the facts in the premises, and it appearing to the Court that this order should be made, and that monthly allowance should be made to Elizabeth G. Monaghan for her services as attorney to the Receiver, and the said services having begun on November 30, 1935, this monthly allowance should begin on the first day of December, 1935.

Wherefore, it is ordered by the Court that H. S. McCluskey as Receiver of the above estate is hereby authorized and directed to pay to said Elizabeth G. Monaghan the sum of \$250.00 for her services as such attorney up to the first day of January, 1936, and a like amount on the first day of each and every month thereafter until further orders of this Court.

Dated this 28th day of January, 1936.

F. C. JACOBS

Judge [14]

[Endorsed]: Entered. Filed Jan. 28, 1936. [15]

[Title of District Court and Cause.]

ORDER FOR MONTHLY ALLOWANCE OF
ATTORNEY FEES TO THOMAS W.
NEALON

Upon Reading and Filing the Petition of H. S. McCluskey for the allowance of attorneys fees and due consideration thereof, and the Court being fully informed as to the facts in the premises, and it appearing to the Court that this should be made, and that monthly allowance should be made to Thomas W. Nealon for his services as attorney to the Receiver, and the said services having begun on November 30, 1935, this monthly allowance should begin on the first day of December, 1935.

Wherefore, it is ordered by the Court that H. S.

McCluskey as Receiver of the above estate is hereby authorized and directed to pay to said Thomas W. Nealon the sum of \$300.00 and \$159.00 per month for expenses, for his services as such attorney, up to the first day of January, 1936, and a like amount on the first day of each and every month on account thereafter until further orders of this Court.

Dated this 28th day of January, 1936.

F. C. JACOBS

Judge [16]

[Endorsed]: Entered. Filed Jan. 28, 1936. [17]

[Title of District Court and Cause.]

ORDER APPOINTING ADDITIONAL ATTOR-
NEY FOR THE RECEIVER AND NAMING
JOHN L. GUST AS SUCH ADDITIONAL
ATTORNEY

Upon Consideration of the application of H. S. McCluskey herein for the appointment of additional counsel for him as Receiver in the above entitled suit,

It Is Hereby Ordered that John L. Gust, Esq. is hereby appointed as additional counsel for said H. S. McCluskey, Receiver herein.

Dated this 28 day of January 1936.

F. C. JACOBS

Judge

[Endorsed]: Entered. Filed Jan. 28, 1936. [18]

[Title of District Court and Cause.]

PETITION OF H. S. McCLUSKEY, RECEIVER,
FOR THE MAKING OF A MONTHLY AL-
LOWANCE TO JOHN L. GUST AS ADDI-
TIONAL ATTORNEY FOR RECEIVER

Comes Now H. S. McCluskey, Receiver in the above entitled cause and respectfully represents to the Court the following:

That on the 28th day of January, this Honorable Court upon the application of your Receiver appointed John L. Gust as one of the attorneys to represent him in the above Receivership.

That the investigation of the affairs of the association made subsequent to his appointment, together with information in his possession beforehand, indicates that the administration of this estate will continue for many months and that it will be necessary to have the services of the attorneys throughout the period of the administration of the estate.

That at all times after the 28 day of January, it will be necessary for the said John L. Gust to devote a great deal of his time to the service of the Receiver in the *the* above entitled matter.

Wherefore your petitioner deems it advisable that this Honorable Court make an order authorizing the payment by him from the funds of said Estate of a monthly allowance to the said John L. Gust on account of the final fee to be allowed him in the premises and that said order show the date of commencing said monthly allowance to be from the 28th day of January, 1936.

Wherefore, *you* petitioner prays that this Honorable Court make an order authorizing and directing him to pay to the said John L. Gust a monthly allowance of such sums as it may deem reasonable for his services, and that such sums be paid on the first day of each and every month until further orders of the Court in reference to this matter.

Dated this 27th day of January, 1936.

H. S. McCLUSKEY

Receiver [19]

State of Arizona

County of Maricopa—ss.

H. S. McCluskey, being first duly sworn, on oath deposes and says:

That he is the Receiver of the Intermountain Building and Loan Association, a corporation, and petitioner above; that he has read the foregoing petition, knows the contents thereof, and that the same is true in substance and in fact.

H. S. McCLUSKEY

Subscribed and sworn to before me this 27th day of January, 1936.

[Seal]

C. MERION BERGE

Notary Public

My commission expires: Oct. 4, 1938.

[Endorsed]: Filed Jan. 28, 1936. [20]

[Title of District Court and Cause.]

ORDER FOR MONTHLY ALLOWANCE OF
ATTORNEY FEES TO JOHN L. GUST

Upon Reading and Filing the Petition of H. S. McCluskey for the allowance of attorneys fees and due consideration thereof and the Court being fully informed as to the facts in the premises, and it appearing to the Court that this order should be made, and that monthly allowance should be made to John L. Gust for his services as attorney to the Receiver, and the said services having begun on the 28 day of January 1936, this monthly allowance should begin on the first day of February, 1936.

Wherefore, it is ordered by this Court that H. S. McCluskey as Receiver of the above estate is hereby authorized and directed to pay to said John L. Gust the sum of \$300.00 for his services as such attorney up to the first day of February, 1936, and an allowance as herein provided on the first day of each and every month thereafter on account until further orders of this Court.

Dated this 28th day of January 1936.

F. C. JACOBS

Judge.

[Endorsed]: Entered. Filed Jan. 28, 1936. [21]

[Title of District Court and Cause.]

PETITION OF CO-RECEIVERS FOR AUTHORITY TO INSTITUTE SUIT IN IDAHO

Now Come Henry S. McCluskey and George A. Mauk, the duly appointed and qualified and acting Co-Receivers of the Intermountain Building and Loan Association, an Utah corporation, and present this petition to the Court, and respectfully represent as follows:

(1) That said defendant corporation owns assets within the State of Idaho of a value in excess of, to wit, forty thousand dollars (\$40,000.00), exclusive of real property in the state of Idaho; that upon these assets the plaintiffs in the above entitled suit, and others similarly situated, hold an equitable lien, as has heretofore been established by decree of this Honorable Court, which decree has heretofore been affirmed by the United States Circuit Court of Appeals for the Ninth Circuit.

(2) That said property is now in the hands of the Boise Trust Company, a corporation, organized and existing under the laws of the state of Idaho, which corporation is claiming to hold the same under a trust agreement, and free and clear of the rights of the lienholding creditors in the states of [22] Arizona, Oregon, Utah, Wyoming, California, and other states, and they are threatening to distribute such funds to certain favorite creditors, regardless of the rights of your Receivers, the plaintiffs in this action and others similarly situated, who are citizens of the United States and reside in

the hereinbefore mentioned states; that they are threatening to make this distribution in violation of the property rights of said creditors and your receivers as guaranteed by the Constitution of the United States.

(3) That the securities held by the plaintiffs herein, and those similarly situated, are recognized instrumentalities of interstate commerce, within the meaning of the Constitution of the United States, Article 1, Section 8, which provides that the power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes, shall be vested in the Congress of the United States, and the various states of the Union are forbidden to lay any burdens upon said interstate commerce, or deprive the owners of any securities negotiated through the usual channels of interstate commerce of any of their rights and privileges, as guaranteed by said Article and Section.

(4) That said Boise Trust Company, a corporation, is threatening to distribute said funds, in violation of the Fourteenth Amendment to the Constitution of the United States, in that plaintiffs are citizens of the United States, and the Constitution and said Fourteenth Amendment thereof provide that no state shall make or enforce any laws which shall abridge the privileges of citizens of the United States, or deprive them of their property, or deny them equal protection of the law.

(5) That by reason of the above mentioned facts, [23] and for the reason that your Receivers are

primary receivers of the Intermountain Building and Loan Association, it is necessary that ancillary receivers be appointed in Idaho for the protection of their property right.

(6) That some of the lienholding creditors of this corporation are about to commence suit in the Federal District Court of the United States, in and for the District of Idaho, for the protection of their rights as described herein; and for the purpose of having ancillary receivers appointed in said Court in aid of the primary receivership pending in this Court.

(7) That your Receivers are advised by their attorneys that it is necessary and advisable for them to join in said suit and become parties thereto.

Wherefore, your *petitions* pray this Court make an order authorizing them to join as plaintiffs in a suit in said United States District Court, in and for the District of Idaho, for the purposes hereinbefore set forth, and to employ Idaho counsel to join with counsel heretofore appointed for your receivers by this Honorable Court to represent them in said suit.

HENRY S. McCLUSKEY

GEORGE A. MAUK

Co-Receivers of Intermountain Building & Loan
Association, a corporation,

Petitioners

THOMAS W. NEALON

JOHN L. GUST

" E. G. MONAGHAN [24]

State of Arizona

County of Maricopa—ss.

Henry S. McCluskey and George A. Mauk being first duly sworn, on oath depose and say, each for himself and not one for the other:

That he is Co-receiver of the Intermountain Building & Loan Association, a corporation, and petitioner above named; that he has read the above and foregoing Petition of Co-Receivers for Authority to Institute Suit in Idaho, knows the contents thereof, and that the same is true, to the best of his knowledge and belief.

HENRY S. McCLUSKEY

GEORGE A. MAUK

Subscribed and Sworn to before me this 26th day of March, 1936.

[Seal]

E. MERION BERGE

Notary Public

My Commission expires: Oct. 4, 1938.

[Endorsed]: Filed Mar. 27, 1936. [25]

[Title of District Court and Cause.]

ORDER AUTHORIZING AND DIRECTING
HENRY S. McCLUSKEY and GEORGE A.
MAUK, AS CO-RECEIVERS OF INTER-
MOUNTAIN BUILDING & LOAN ASSO-
CIATION, TO JOIN WITH OTHER
PLAINTIFFS IN A SUIT IN IDAHO AND
EMPLOY IDAHO COUNSEL

Upon Reading and Filing the verified petition of Henry S. McCluskey and George A. Mauk, the duly appointed, qualified and acting Co-receivers of the Intermountain Building & Loan Association, an Utah corporation, praying for an order of this Court authorizing them to join as plaintiffs in a suit in the United States District Court, in and for the District of Idaho, for the purpose of establishing the rights of the plaintiffs in the above entitled cause, and those similarly situated, in and to certain funds of the defendant corporation in Idaho, and for the purpose of applying to the Court for the appointment of ancillary receivers in aid of the primary jurisdiction of this Court in the administration of said receivership estate, and for authority to employ Idaho counsel to join with counsel heretofore appointed by this Court to represent said Co-Receivers [26] in said suit; and

It appearing to the Court from the examination of the verified petition and from the records in this cause that it is proper and necessary for said Co-receivers to join with other plaintiffs in said suit to be filed in Idaho, and that an ancillary admin-

istration in Idaho in aid of the primary receivership in this State is advisable;

It Is Hereby Ordered that Henry S. McCluskey and George A. Mauk, the duly appointed, qualified and acting Co-receivers of the Intermountain Building & Loan Association, an Utah corporation, appointed as such by this Court in the above entitled cause, are hereby authorized to join as plaintiffs in a suit in said United States District Court in and for the District of Idaho, for the purposes set forth in their petition filed in this proceeding, and to employ Idaho counsel to join with counsel heretofore appointed by this Court to represent them in said suit.

Dated at Phoenix, Arizona, this 26th day of March, 1936.

F. C. JACOBS

United States District Judge

[Endorsed]: Entered. Filed Mar. 27, 1936. [27]

In the District Court of the United States
for the Federal District of Arizona

No. E-268 Phoenix

GUADALUPE R. GALLEGOS and FRANCESCA
GALLEGOS, his wife; INGA G. GUDMUND-
SEN; and MATA E. DEXTER, in their own
behalf and in behalf of others similarly
situated,

Plaintiffs,

vs.

INTERMOUNTAIN BUILDING & LOAN AS-
SOCIATION, a corporation,

Defendant.

FINAL REPORT AND ACCOUNT OF HENRY
S. McCLUSKEY, AS RECEIVER OF IN-
TERMOUNTAIN BUILDING & LOAN AS-
SOCIATION, AN UTAH CORPORATION;
AND PETITIONS PRAYING FOR THE
APPROVAL THEREOF, FOR THE DE-
TERMINATION AND ALLOWANCE OF
COMPENSATION TO PETITIONER, FOR
FINAL DISCHARGE AND EXONERA-
TION OF BOND, AND FOR THE COURT
TO SET A DATE FOR HEARING THERE-
OF AND TO DETERMINE THE FORM OF
NOTICE TO BE GIVEN AND ORDER
THEREON

Comes Now Henry S. McCluskey and files, this
his Final Report and Account as Receiver of the

Intermountain Building & Loan Association, an Utah corporation, and his petitions praying for the approval thereof, for the determination and allowance of compensation to him, for his final discharge and exoneration of his Receiver's bond, and for the Court to set a date for the hearing thereof and to determine the form of notice to be given and for order thereon; and respectfully represents:

I.

That on the 18th day of April, 1933, a suit was brought on the equity side of the United States District Court for the Federal District of Arizona, in which Guadalupe R. Gallegos and Francesca Gallegos, his wife, Inga G. Gudmundsen and Mata E. Dexter were plaintiffs, and Intermountain Building & Loan Association, a corporation, was defendant, said suit being brought by said plaintiffs in their own behalf and in behalf of all others similarly situated. [28]

II.

That the purpose of said suit was to establish the equitable lien of the plaintiffs, and others similarly situated, upon the assets of the defendant corporation; to prevent waste and dissipation of the assets of said corporation through mismanagement and wrongful conduct of its officers and directors; to have an account taken of the affairs of the defendant corporation; to have a receiver appointed for the defendant with authority to take into his possession all of the assets of said corporation, and all of its books, records and accounts, including choses in action; to continue and operate the business of

the defendant corporation, subject to the orders of the Court; to take charge of all of the real estate of the defendant corporation, keep the same in good condition and repair and collect the rents thereof; that pending the appointment of a receiver a restraining order and injunction issue to prevent any dissipation by the defendant of its assets and the removal or destruction of the books and records of said corporation; that pending a final determination of the suit a temporary receiver be appointed with the hereinbefore mentioned powers, together with all other powers usually conferred upon an equity receiver.

III.

That upon the filing of the complaint herein the United States District Court immediately took jurisdiction and issued a restraining order, restraining the defendant from disposing of the assets of the defendant corporation, and from removing, destroying or concealing its books, records, files, documents and other property of the defendant in the State of Arizona; that process was duly served upon defendant and said defendant corporation subsequently filed its answer in said suit. [29]

IV.

That subsequently your petitioner on the 20th day of April, 1934, was appointed Receiver of said defendant corporation, and on said date duly qualified as such Receiver.

V.

That your petitioner did not obtain the physical possession of the assets of the defendant corporation until on, towit, November 30, 1935, owing to the fact that on the 17th day of March, 1934, J. A. Malia, Bank Commissioner of the State of Utah, had seized the books, records and all of the assets of said corporation, notwithstanding that these assets were then in the constructive possession of this Court, and upon demand of your petitioner, after his appointment as Receiver of said defendant corporation on April 20, 1934, the said J. A. Malia refused to surrender same to your petitioner. At the same time your petitioner also made demand upon the defendant corporation, the Valley Bank of Phoenix, the Home Owners Loan Corporation, the Phoenix National Bank and the State Treasurer of Arizona for the assets of the defendant corporation in their possession, but these demands were not complied with.

That the said Malia and the defendant corporation then filed in the United States District Court on the 21st day of April, 1934, a petition for appeal from the order of this Court appointing your petitioner as Receiver and for supersedeas, which appeal was granted and supersedeas bond fixed in the sum of \$35,000.00, which supersedeas bond was given by the said J. A. Malia and said defendant corporation on May 15th, 1934, and thus stayed any further action upon the part of your petitioner until final decision of the case; that the Circuit Court of Appeals affirmed the order of the United

States District Court appointing your petitioner as Receiver, but said Malia and defendant corporation then petitioned the Supreme Court of the United States for a writ of certiorari to review the decree of the said Circuit Court of Appeals, which petition was denied on November 11, 1935 by the United States [30] Supreme Court and mandate duly issued.

That on November 30, 1935, Rulon F. Starley, successor to said J. A. Malia, surrendered to your petitioner the assets shown in the inventory filed by your petitioner in this Court on the 23rd day of July, 1936, and on or about said date the assets in the possession of the Valley Bank of Phoenix, the Phoenix National Bank and the State Treasurer of Arizona were surrendered to your petitioner. That he administered said receivership estate thereafter, making such conversions and disposition of the assets of the receivership estate as was required by the various orders made by the United States District Court of Arizona in the premises.

VI.

That on the 8th day of February, 1936, after due notice the District Court of the United States in and for the District of Arizona made the appointment of your petitioner as Receiver of the defendant corporation permanent.

VII.

That the said assets of the defendant corporation situated in the state of Arizona coming into the

physical possession of your petitioner as Receiver of the defendant corporation, as shown in their present form on Exhibit No. I hereto attached and by reference made a part hereof, after allowing for possible losses thereon, are valued by your petitioner in the sum of \$1,349,613.35, and the assets owned by the defendant corporation situated outside of the state of Arizona coming into the constructive possession of your petitioner, are valued by your petitioner in the amount of \$770,049.47, as shown on Exhibit No. II hereto attached and by reference made a part hereof, making a total valuation of the assets of the [31] defendant corporation in the sum of \$2,119,662.82.

VIII.

That at the time your petitioner took over possession of the assets and records of the defendant corporation he found that there was no inventory showing such assets, and that no inventory had been made by J. A. Malia, Bank Commissioner of the state of Utah, when he took possession on March 17, 1934, or by Rulon F. Starley when he took over possession from said J. A. Malia.

IX.

That on or about the 8th day of February, 1936, the United States District Court in and for the District of Arizona appointed G. A. Mauk as co-receiver with your petitioner; that said G. A. Mauk served in that capacity to the 11th day of May, 1936; that he resigned as such co-receiver and made

his report which was approved by the Court and he was discharged and his bond exonerated.

That subsequent to said time and up to the 1st day of April, 1937, your petitioner served as the sole receiver of the receivership estate of said insolvent corporation, and during all of said time had the sole custody and control of the assets of said defendant corporation situated in the state of Arizona.

X.

That your petitioner found that the records of the corporation did not truly state the amount that was owed to the corporation by persons who had given their promissory notes to the corporation, these promissory notes being secured by mortgages on real property situated in Arizona and in other states and foreign countries; that without authority of law whatsoever [32] the defendant corporation had charged upon its books against the makers of these promissory notes and mortgages fines and penalties when they failed promptly to pay the installments due to the defendant corporation upon such promissory notes and mortgages, these promissory notes and mortgages being payable monthly, the payments of both interest and principal being over long periods of time, towit 8½ years. The defendant corporation also charged, without authority of law, to these persons who had borrowed money from it a certain sum per month for dues. The defendant corporation thus loaded the accounts of the makers of these promissory notes with charges, penalties and fines for which there was no

justification whatsoever, and the defendant corporation thus set up in its records fictitious and an excessive amount as assets of said corporation.

Said defendant corporation also calculated and placed upon its records charges of interest in excess of the amount permitted by statute and in excess of the amount of their contracts with the makers of said promissory notes and mortgages, and the interest was figured upon a usurious basis. Not only did they set up this usurious interest as to the amount of the loans in question, but they calculated this interest upon fines, dues and penalties which they had charged upon their records to the borrowers without any authority of law therefor.

As a result of such erroneous statements of the amounts due the corporation from the makers of these notes and mortgages, these records in the condition they were in at the time that your petitioner took possession thereof could not be used as evidence in courts where it was necessary to file suits for the collection of such promissory notes and the foreclosure of such mortgages. Had your petitioner attempted to produce these records in court in suits against the makers of said [33] promissory notes and mortgages as evidence of the amount due thereon, the makers of said notes and mortgages would have been entitled to plead usury as a defense, and as such a defense, if sustained, would have meant a loss of all interest upon the loans made by the corporation to such persons, and the result would have been a loss of an immense amount

of money to the creditors of said Association, as the interest in some of these cases extended over a period of more than 8½ years. And in such instances the Receiver would only have been able to collect upon such promissory notes and mortgages, the balance due upon the principal thereof after crediting to the principal of the notes all sums paid thereon, whether paid on principal or interest, under provisions of Section 1885, Revised Code of Arizona, 1928, and the statutory laws as it existed prior to the enactment of said Code. That when your petitioner threatened foreclosure of some of the promissory notes secured by said mortgages, attorneys representing the makers of such notes and mortgages, laid the foundation for such defense in said suits by an examination of the records of this corporation with a view to establishing such defense.

That in some instances your petitioner deemed it advisable to present the question to the judge of the United States District Court with a view to compromising the most dangerous of these suits, and under orders of this Court, after a frank and full disclosure of the situation was made to the Court, orders were made by this Court authorizing your petitioner to make compromises in a number of instances, and such compromises were made with great benefit to the receivership estate. A great deal of your petitioner's time was consumed in interviews with various debtors of the corporation and with attorneys for the mortgagors and furnishing them with information, all of which presented

problems of grave importance to the receivership estate.

XI.

That because of the aforesaid condition of the [34] records of the defendant corporation, it became necessary for your petitioner to employ a certified public accountant whose testimony would carry weight in any court to audit and refigure these accounts and set up an inventory. That the corrected figures as found by said certified public accountant were set up upon the books of the Receiver and the figures and accounts as so set up were used as the basis of the inventory filed by Harry W. Hill, Esq., as Receiver in this proceeding. That this entailed an extraordinary expense upon the estate of \$4,-821.34 for the services of said certified public accountant and for the corps of assistants employed by him in order to have this work done expeditiously and not delay the administration of the estate or the collection of such assets, as well as to lay the foundation for the recovery of assets in states other than Arizona.

That said certified public accountant was appointed and this expense incurred after conference with the Judge of this Court and bills for the services rendered were from time to time presented to said Court and orders duly made allowing same and directing the payment thereof.

XII.

That the records of this corporation of its accounts with the plaintiffs, and others similarly situ-

ated, had been kept upon the same erroneous and fictitious basis as were the accounts with the makers of the promissory notes and mortgages hereinbefore described. These persons were creditors of said corporation holding equitable liens upon the assets thereof, as has been judicially determined, not only by the United States District Court in and for the District of Arizona, but by the United States Circuit Court of Appeals for the Ninth Circuit, and in effect by the Supreme Court of the United States upon a [35] hearing on certiorari herein referred to. It therefore was necessary to have all of these accounts of the creditors of said Association audited, refigured and correctly stated and segregated into their several classes and series—of which there were approximately 35 classes—in order that the indebtedness of the corporation to these security holders could be determined by this court when the claims, which this Court has authorized to be filed in this proceeding, would be presented to this Court for final adjudication and declaration of dividends to the holders of said claims.

That there are approximately 4800 creditors of the Association holding such claims; that there have been filed with your petitioner as Receiver pursuant to the orders of this Court directing the filing of such claims, 2,729 prior to February 22, 1937, which was the final date fixed by the Court for the filing of such claims; that subsequently thereto and prior to the 1st day of April, 1937, 63 additional claims were filed in this proceeding making a total of 2,792 claims filed.

That these 4800 claimants were scattered over many states of the Union and in foreign countries, and had been making monthly payments to the defendant corporation for many months and prior to the taking over of the assets of the corporation by your petitioner and in some instances these payments have extended over a period of ten years or more.

That the examination and correction of the records pertaining to these 4800 claimants and of the 2792 who had filed claims entailed an immense amount of detail work upon the clerical force under the direction of your petitioner, including the correct setting up of such claims upon the records of the corporation, the sending out of notices by mail to each of the creditors of the Association who appeared upon the records of the corporation, the furnishing of blanks for the filing of said claims, [36] the furnishing of information to said claimants, and the checking and comparing of the claims with the record in order that the claims might be correctly filled in and intelligibly presented to this Court for the purpose of determining the legality of said claims, or so many of them as might be presented in this proceeding. This necessarily entailed a heavy expense upon the receivership estate, but fairness to these creditors required the sending of these notices, furnishing of blanks and furnishing information. That in pursuance of this policy, and in order that no creditor's rights might be imperilled, your petitioner sent four separate

notices to all of the claimants of said Association of which he had knowledge, and accompanying two of these notices were forms for the filing of these claims with detailed instructions in regard to their preparation. In this connection see Exhibit IV hereto attached and made a part hereof.

That conditions in the various states outside of Arizona, the conflicting claims asserted by state officials in Oregon, California and elsewhere and conflicting notices sent out by these state officials, and the decision of the State Superior Court of California giving preference to residents of that state, were confusing to the claimants and made it impossible for them to protect their rights without calling upon your petitioner for such information as was in his possession. This entailed studies of their individual accounts and the writing of hundreds of letters to these claimants explaining the tangled situation, in addition to sending many form letters. (See Exhibit IV hereto attached.)

In addition to this there was a great deal of correspondence with claimants who had lost their "certificates" and did not know how to make claim in the absence thereof. There was also a great deal of correspondence with claimants whose claims were based upon assignments of certificates from the original holders thereof, and in many instances by [37] certificate holders who had made assignments of their certificates to third persons who had filed claims and who claimed that the assignments were made through fraudulent representations. Also many deaths occurred among the holders of these

claims during the period subsequent to 1921 and the persons to file claims as successors of the original claimants did not possess sufficient legal knowledge to determine by whom and in what manner such claims should be filed. In many instances claims that were filed had to be returned to claimants for correction or amplification. Many other problems of like or similar nature were presented to your petitioner in connection with these claims.

In addition the time of your petitioner and his office staff were taken up daily with interviews with claimants who came in person to seek information, many of them from long distances and from other states, and there were many interviews with attorneys representing creditors, many of whom asserted special rights and preferences in the premises.

XIII.

The condition of much of the real property taken into the possession of your petitioner on, to wit, November 30, 1935, was deplorable. In almost all instances the property had been neglected, repairs had not been kept up and the physical condition thereof had been allowed to deteriorate to the point where in order to make the property of the receivership estate income paying and avoid further depreciation, it became necessary for your petitioner to undertake a constructive course of rehabilitation of such properties.

The bad condition of these properties was due in

great measure to the fact that the defendant corporation had allowed mortgagors to remain in possession after the mortgages had become [38] hopelessly delinquent, and these mortgagors had no further interest in keeping the property in good repair. The houses upon many of these properties had been built for many years.

The defendant corporation and its officers had not exercised due care in the selection of persons to whom it made loans upon mortgages. Many of the mortgages were apparently made with the idea of laying a foundation for the selling of securities in the communities in which loans were made, such sales of securities being for the profit of the officers and directors of the defendant corporation.

In many instances loans had been made in mining towns and in other communities where the properties were not worth anything like the amount of the mortgage indebtedness against them. Typical of these towns in Miami. In these cases compromises and settlements were made upon presentation of the facts and surrounding circumstances to the Court by means of petition. Where the amount justified it, appraisals were had. These conditions were so notorious that the matters involved were matters of common knowledge, of which the Court could take judicial notice. Renewal of mining activities have improved these conditions somewhat in recent months.

There were other instances where loans were so excessive as to clearly indicate fraud in their in-

ception. Houses were built by the Lincoln Mortgage Company, a corporation closely affiliated with the president of the defendant corporation and the buildings were not worth anywhere like the amount loaned upon the premises and were built where the locations were such that good judgment would have required that the loans should be declined. Typical of these is the case of the loan upon the hotel situated on the desert at Wellton which required emergency expenditures in order to save even a remnant of the amount due for the estate. In the settlement made with the mortgagor in the premises your [39] petitioner secured the furniture and furnishings of the hotel in order that some rents might be obtained therefrom and that the property might not deteriorate and be destroyed during the period it was lying idle before a purchaser could be had. This property is now in the possession of Harry W. Hill, Esq., Receiver.

The nature and character of the properties were diverse and varied, and included therein were residences, duplexes, apartment houses, hotels, a golf course, vacant lots, garages, auto courts, adobe shacks, storebuildings, etc.

XIV.

That a deplorable condition also existed in regard to properties upon which the defendant corporation held hopelessly delinquent mortgages and where no steps had been taken to obtain the income from the property during delinquency, and these also entailed an expense for rehabilitation; that in

numerous instances your petitioner secured assignments of rents from the mortgagors, together with the physical possession of the property, and in other instances where such assignments could not be obtained, he secured the appointment from the State Courts of receivers for the particular property. In these instances your petitioner secured the appointment of C. M. Berge or Millard Elam, each of whom were employees of your petitioner and no additional charge was placed upon the receivership estate by reason of such appointment. The rents were thus conserved and preserved for the benefit of the receivership estate, and the properties were placed in good condition and further deterioration avoided.

XV.

There were also items of real estate where the mortgagors had abandoned the property and left the jurisdiction of this Court and of the courts of Arizona. In those instances it was necessary to institute foreclosure proceedings and take [40] steps to secure possession of the property in order to perfect the title for the benefit of the receivership estate, and it was also necessary to rehabilitate these properties so that a rental income might be preserved for the receivership estate.

XVI.

In some instances there were recalcitrant mortgagors who refused to make any payments on their delinquent indebtedness, and it was necessary for

your petitioner to take stern measures in order to collect such delinquent indebtedness and to protect the estate in the premises. In some cases it was necessary to bring forcible detainer actions in order to recover possession of the properties.

XVII.

The items of rehabilitation included work upon wells, water systems, cess pools, repainting, plumbing, decorating, repairing roofs, etc. Other expenses of rehabilitation were made necessary by fires occurring during the administration of your petitioner, the damages for which were recovered from insurance companies and placed to the credit of the receivership estate.

The properties were scattered over many portions of Arizona, making the work time consuming and difficult, and necessarily increased the expense.

In order to make certain of these properties available for rental and sale purposes, it was necessary to secure extensions of gas and water mains and advance the moneys required therefor. In each of these cases the facts were presented to the Court by means of appropriate petitions and upon due consideration by the Court, orders were made authorizing these expenditures by your petitioner.[41]

XVIII.

That in Exhibit No. III hereto attached and by reference made a part hereof, is set forth a somewhat detailed account of the rehabilitation expenses

so incurred. That all expenditures under \$100 were made pursuant to the general order of this Court, and all expenditures in excess of \$100 were made upon special orders of this Court after hearing on petitions setting forth the necessity for the expenditures. In a few instances where emergencies arose requiring immediate action, the facts were immediately reported to the Court by petitions, and orders were made by the Court ratifying the action of your petitioner. That by reason of the systematic course of rehabilitation pursued by your petitioner the income of the receivership estate was greatly augmented and the various properties placed in a condition where they could be converted into cash assets.

XIX.

That the defendant corporation had during a period covering several years allowed delinquent mortgagors to remain in possession of the mortgaged properties without paying either insurance or taxes thereon, and these mortgagors made no payments either upon the principal or interest of the mortgages. The defendant corporation had paid the insurance upon these properties that should have been paid by the mortgagors, adding the same to the mortgage indebtedness. Taxes were allowed to become delinquent and to accumulate over long periods of time. This necessitated a large outlay upon the part of your petitioner to save such properties from sales for taxes and to redeem properties where through the neglect of the

defendant corporation and the mortgagors they had been sold for taxes.

A further outlay for taxes was necessary by reason of the statutes of Arizona which required the payment of taxes by the mortgagee in all foreclosure proceedings. [42]

That in almost all instances where the mortgages were delinquent, the mortgagors had failed to pay their personal property taxes and the same had been charged against their real property. This necessitated further action upon the part of your petitioner to have such charges either paid or set aside. In many cases he met with opposition at the hands of local tax officers and the county attorneys of various counties where such properties were located. In some cases the taxes on this personal property had to be paid under protest by your petitioner and suits instituted to recover the same from tax officials.

XX.

That your petitioner made a survey of all of the insured properties in order to ascertain that all the properties coming into his possession were properly covered by insurance. This survey developed that the defendant corporation had been paying premiums on excessive insurance which would have been uncollectible in case of fire. This useless expense was immediately cut off by your petitioner upon the development of the facts through the surveys made.

XXI.

That prior to the time your petitioner obtained physical possession of the assets of said defendant corporation many applications had been made to the Home Owners Loan Corporation by mortgagors for loans to refinance their indebtedness to the defendant corporation. That owing to the fact that an appeal was taken from the order appointing your petitioner as Receiver of said corporation, by the defendant corporation and by J. A. Malia, Bank Commissioner of the State of Utah, and superseades bond entered staying further action upon the part of your petitioner as such Receiver, there was no one who had legal authority to release the mortgages of the defendant corporation, and as a consequence thereof the applications of these [43] mortgagors to the Home Owners Loan Corporation were rejected. Subsequently the Home Owners Loan Corporation granted certain privileges to those who had applied for such loans and whose applications had been rejected, but the conditions placed upon such loans were more onerous than those theretofore existing and many loans that were eligible for refinancing at the time your petitioner was appointed Receiver, were not eligible at the time he obtained possession of the assets of said defendant corporation.

That there was, however, a situation created by which many of the loans could be refinanced through the Home Owners Loan Corporation within a limited time after your petitioner had obtained possession, and in order to obtain this advantage for

the receivership estate and to afford equitable relief to numerous mortgagors who were bitterly complaining to the Court and to your petitioner of the injustice that they had suffered through no fault of their own, your petitioner, after a conference with the Judge of this Court, employed Evan S. Stallcup to handle this situation and to conduct negotiations for this purpose with both the mortgagors and the Home Owners Loan Corporation. That Mr. Stallcup was selected for this purpose because he had previously been the Assistant State Manager for the Home Owners Loan Corporation in Arizona and was thoroughly familiar with the law and practice of the department in handling these loans, was also a member of the bar of the State of Arizona, and a recognized authority in real estate title matters. That Mr. Stallcup was employed by your petitioner for a period of slightly in excess of four months time at a salary of \$400 per month, and he was paid the sum of \$1662.60.

Mr. Stallcup rendered valuable and efficient services in the premises and by and through his aid and efforts forty [44] of these mortgages and two properties which had been foreclosed upon, were converted and refinanced through the Home Owners Loan Corporation, and through these proceedings the sum of \$60,518.57 was realized in cash and bonds, and a further sum of \$6,739.16 in other securities, as salvage, making a total recovery on said mortgages of \$67,257.73, representing the full appraised value thereof, and 80.25 percent of the principal due upon said mortgages, and in addition

thereto assignments of seven certificates of this and other Associations were taken to apply on the notes taken as salvage and as additional salvage, the value of which cannot be determined; that a detailed account and report of these transactions have been heretofore filed with this Court, and are also shown on Exhibit No. V hereto attached.

Mr. Stallcup also rendered valuable services and assistance in working out problems connected with refinancing mortgages through the Home Owners Loan Corporation in states other than Arizona.

The payment to Mr. Stallcup, due to the exigencies of the situation, but beneficial to the estate, was an extraordinary expense of the administration that it would not have been necessary to incur if the defendant corporation and J. A. Malia, Bank Commissioner of Utah, and his successor, Rulon F. Starley, had not appealed from the order of this Court appointing your petitioner as Receiver to the Circuit Court of Appeals and on certiorari to the Supreme Court of the United States, thus delaying the administration of this estate for a period of more than nineteen months.

XXII.

That upon taking over the physical possession of the assets of the corporation, it was imperative that your petitioner make an immediate investigation of the condition of the properties of the defendant corporation in states other than Arizona, by reason of the obligations placed upon him as [45] primary receiver by the statutes of the United

States which imposed certain duties and responsibilities upon him. Representatives of the Home Owners Loan Corporation also called upon your petitioner and his attorney, and recognizing your petitioner as the primary receiver, explained that many mortgagors whose notes and mortgages were held by your petitioner and by state officials in the other states were clamoring for relief under the H. O. L. C. act and asked your petitioner to take such steps in these various states as would facilitate the handling of H. O. L. C. loans within the five months still left for closing such loans. Also the assets in the states covering Idaho, Wyoming, California, Utah and Oregon had an aggregate value, as elsewhere shown in this petition, of not less than \$724,881.83, which the creditors of the defendant corporation were entitled to share, and share alike.

Your petitioner made a complete explanation of this situation to the Judge of the United States District Court in charge of this matter and on December 2, 1935, an order was made instructing and directing your petitioner to visit the said states and take such steps as might be necessary in the premises and to have Thomas W. Nealon accompany him as legal advisor.

That your petitioner thereupon immediately went to Salt Lake City, accompanied by Thomas W. Nealon, and had a conference with the representatives of the Bank Commissioner of Utah and his attorneys, with the idea of making arrangements for the appointment of an ancillary receiver in

Utah and a harmonious handling of the assets of the corporation in that state, and for the sending of notes and mortgages held by your petitioner to that state for collection.

After this conference, and before any decision was made in the premises, your petitioner, accompanied by his attorney, [46] visited Cheyenne, and while there procured the appointment of ancillary receivers in aid of the administration in the state of Wyoming, one of whom was your petitioner and the other being John T. Boyd of Cheyenne, Wyoming. This appointment was made by the United States District Court in and for the District of Wyoming.

After completing the business in Wyoming, your petitioner returned to Salt Lake City, Utah, for further negotiations with Rulon F. Starley, Bank Commissioner of Utah, who then had in his possession assets of the corporation in Utah, and other state officials. No final arrangements were made at that time. (Some time later Thomas W. Nealon made two visits to Salt Lake City and in co-operation with certain creditors secured an ancillary administration in Utah, James L. White being appointed ancillary receiver by the District Court of the Third Judicial District in and for Salt Lake County, Utah, the United States court having refused to take any action in the premises.

Your petitioner then went to Idaho and secured the appointment of ancillary receivers in that state in aid of the administration in Arizona, one of whom is your petitioner and the other Charles A. McLean, of Boise, Idaho.

Your petitioner then continued his trip to the state of Oregon where he and his attorney, Thomas W. Nealon, made attempts to secure a peaceful arrangement for the appointment of ancillary receivers in that state. Your petitioner was not successful and subsequently under instructions of the United States District Court in and for the District of Arizona instituted proceedings in Oregon to secure such ancillary administration in aid of the Arizona receivership. The contention was made in the state of Oregon that the Oregon creditors had preferential rights in the premises.

(Subsequently, during the month of January, 1937, your [47] petitioner, accompanied by one of his attorneys, Thomas W. Nealon, and James A. Smith, C. P. A. and C. M. Berge, local accountant in the Phoenix office, as witnesses, under order of this Court, went to Portland, Oregon for a hearing before a special master appointed by the United States District Court to take evidence in the premises and make a report thereon. As this hearing was a part of the proceedings involving assets of more than \$300,000.00 in which Arizona creditors of the defendant corporation, as well as those situated in other states, were entitled to participate in under the rule laid down by the Supreme Court of the United States, it was important that this suit and subsequent proceedings be taken. This case had not been determined by the Oregon court when your petitioner turned over the affairs of the defendant corporation to Harry W. Hill on April 1, 1937.

From Portland, Oregon, your petitioner then went to San Francisco and Los Angeles, California, and there endeavored to make friendly arrangements with the Building and Loan Commissioner of California, but in this was not successful, and it became necessary, with the approval of this Court, to institute a suit in California for the appointment of ancillary receivers there and for the recovery of assets that had been transferred to California after the corporation was hopelessly insolvent. In this connection it is to be borne in mind that a state Superior Court of California had in a proceedings instituted by Louis C. Drapeau, as Building and Loan Commissioner of California, decreed that certain classes of creditors who were residents of California at the time insolvency proceedings were instituted therein were entitled to be paid in full out of the assets of the corporation in California, regardless of the rights of creditors in other states. As this involved over \$100,000.00 in assets properly applicable for the payment of dividends to the creditors of the defendant corporation [48] in Arizona and elsewhere, it was imperative that this action should be taken. The suit instituted by your petitioner had not been determined on the 1st day of April, 1937.

XXIII.

During the aforesaid trip your petitioner as far as possible examined general conditions pertaining to the properties of the defendant corporation situated in the several states. The condition

surrounding the properties were not materially different from those existing in Arizona. Your petitioner also conferred with H. O. L. C. and state officials, attorneys for mortgagors, and title and trust officers in an endeavor to expedite liquidation of the estate.

XXIV.

The result of the trip so made to these various states was of great benefit to the receivership estate by reason of the appointment of these various ancillary receivers and the conservation of the assets under the direction of the courts in Wyoming, Idaho and Utah. The securing of the appointment of a receiver in the state of Utah was particularly important for several reasons, among others, because that was the state in which the defendant corporation had been incorporated and its affairs were in charge of Rulon F. Starley, successor in office to J. A. Malia, and were not being administered in harmony with the administration in this state. A large portion of the assets of the corporation were situated in the state of Utah and consisted of real property in possession of the Bank Commissioner of Utah as aforesaid. Another reason why it was particularly important to have a receiver appointed there, was that a large number of promissory notes (negotiable instruments) were in the actual physical possession of your petitioner as Receiver. These promissory notes were secured by mortgages upon real property situated in [49] the state of Utah. It was therefore necessary for

the best interest of the receivership estate that the affairs of the defendant corporation in Utah should be under the control of some court that would protect the rights of the general creditors of the receivership estate. The situation in Utah prior to the appointment of an ancillary receiver was such as to threaten conflicting litigation between state officials and your receiver that would injuriously affect the creditors of the corporation wherever situated.

XXV.

Many problems faced your petitioner during the period following his appointment as Receiver, but before he obtained possession of the assets of the corporation, the mortgagors in the various states were clamoring for his assistance in securing H. O. L. C. loans and in obtaining releases of mortgages. In the early part of this litigation the Home Owners Loan Corporation gave some recognition to the state officials, but as the litigation progressed became convinced that it was not safe to accept releases of these mortgages from such officials. As a result attorneys representing the Home Owners Loan Corporation in these various states called upon your petitioner frequently and consumed a great deal of his time.

XXVI.

Another problem that faced your petitioner during the period when this case was under appeal, was the dilemma in which mortgagors were placed as to whom they should make payments upon their

mortgages. They did not want to pay them to the officials in the various states, or to the defendant corporation, and be faced with the possibility of again being called upon to pay the same sums to your petitioner as Receiver. An important part of your petitioner's duty prior to the time when the final ruling [50] was made by the Supreme Court of the United States was to take as effective measures as possible to preserve the property of the defendant corporation until the litigation was finally determined. The handling of this proposition required a great deal of your petitioner's time.

While your petitioner endeavored to co-operate with officials in possession of its assets during this time and to work out stipulations for the handling of the estate, he did not get co-operation in return. They refused to recognize your petitioner as Receiver of the defendant corporation and this produced an awkward situation and a problem for your petitioner. In a number of these states there was opposition to your petitioner and to some extent a combination of state officers in various states to thwart this Court in the measures it was taking to protect the creditors of the defendant corporation.

Also during said time your petitioner had many conferences with mortgagors and their attorneys, and with officials and attorneys of the Home Owners Loan Corporation, and with attorneys for the defendant corporation and J. A. Malia, and with the attorneys for the plaintiffs; that with the consent of the attorneys for the plaintiffs, your peti-

tioner offered to stipulate with the defendant corporation and J. A. Malia to such action in the premises as would have allowed the refunding of mortgages through the Home Owners Loan Corporation, but said defendant corporation and J. A. Malia refused to recognize any, not even a qualified right to the possession of your petitioner in said assets, or to take any action in the premises; that by such action your petitioner was greatly hampered in the proper administration of said receivership estate.

XXVII.

That during the period of more than nineteen months immediately preceding the date upon which your petitioner [51] obtained possession of the assets of the corporation as hereinbefore set forth, the property of the receivership estate was constantly depreciating in value, as repairs were not being kept up and many mortgagors retained the mortgaged property without taking any care of same and without paying insurance, taxes, interest, or payments on principal.

XXVIII.

That during the pendency of the appeal of this case and prior to the time when your petitioner obtained physical possession of the assets of the defendant corporation, various actions were instituted and other proceedings had by creditors seeking to obtain an advantage for themselves over others similarly situated by litigation in the state court.

One of these suits was brought by Mathilda J. Foerst in the Superior Court of Maricopa County, Arizona, in which she first obtained a declaratory judgment for the amount of her claim, and then acting upon this judgment and a subsequent judgment, instituted garnishment proceedings against the funds of the defendant corporation deposited with the Valley National Bank of Phoenix. Your petitioner studied this case, conferred with the attorneys, and immediately upon the mandate of the Appellate Court being filed and his taking over physical possession of the assets, made his appearance in said last named suit and obtained an order quashing the garnishment proceedings. From this order the said Matilda J. Foerst appealed to the Supreme Court of the state of Arizona, and in said litigation your petitioner was again successful and obtained a very far reaching decision establishing the rights of your petitioner as Receiver, and that decision will be decisive in other litigation affecting the rights of the creditors of this corporation and the receivership estate.

Also prior to the time when your petitioner obtained [52] possession of the assets of said corporation as aforesaid, action was started against the defendant corporation in the Superior Court of Yavapai County and attachment was issued therein and sale of a mortgage was made. This involved an amount in excess of \$3,000.00. Your petitioner studied the case and conferred with the several attorneys, and immediately took the necessary steps in said litigation to preserve the rights of the re-

ceivership estate, and while this litigation has not been settled, the principles necessary to be established for the protection of the receivership estate were established in the Foerst case hereinbefore mentioned.

In addition sales had been made by the defendant corporation and by Malia prior to the time that your petitioner went into possession, and it was necessary for your petitioner to take proper steps in court for the protection of the assets of the corporation against such claims which were unfair and inequitable in their nature. Three of these matters were pending before this Honorable Court at the time your petitioner ceased to be Receiver. Your petitioner regards all the issues therein settled by the decision of the Supreme Court of Arizona in the said Foerst case, as well as by prior decisions of the Supreme Court of the United States, cited with approval by the Supreme Court of Arizona in the Foerst case.

XXIX.

The problems which faced your petitioner as Primary Receiver of the defendant corporation in the various states in which that corporation owned property were numerous and complicated. The facts and circumstances which made this burden onerous were as follows:

The Constitution of the United States provides, and the Supreme Court of the United States in its decisions, has recognized the fact that creditors similarly situated to those of [53] of the plaintiffs

herein have the same rights in all of the states of the Union, and that no state can by statute create a preference in favor of its own citizens over citizens and non-residents of other states of the Union. (The Supreme Court of the United States has recognized the right of a state to require of a foreign corporation as a condition precedent to doing business in the state, a deposit of funds for the protection of the citizens of that state doing business with such foreign corporation.) Your petitioner is advised, and believes, that the rights of the creditors of this corporation are the same as to all the properties in the various states in which it did business, regardless of where the creditors may be situated. Most of the laws affecting building and loan associations in which it is attempted to give preference to residents of certain states have been enacted in the last six or seven years and subsequent to sale of the certificates involved, and state officials in these various states have endeavored to have these laws construed as being retroactive. The Congress of the United States appears to recognize the right of that court which first assumes jurisdiction over a delinquent corporation to appoint the primary receiver, and under the provisions of Title 28, Ch. 18, Secs. 847, 848 and 849, United States Code Ann., as amended by the Act of 1935, placed upon the primary receiver duties in regard to the sale of the properties in all of the various states.

In this particular case the suit was first instituted in this Court for the enforcement of the

rights of these creditors as against a delinquent trustee which had been unfaithful to its trust and the rights of such creditors necessarily reverted back at least to the date upon which this suit was filed.

Your petitioner being the Primary Receiver of the defendant corporation, and so recognized by said statutes of the [54] United States, became vested with the legal title of all of said properties by virute thereof and of the final decree rendered in this Court on towit, January 5, 1937, which decree in compliance with the usual proceedings in equity provided that all of the properties of the trust estate involved in this proceeding (which included all of the assets of the defendant corporation wherever situated) should be by good and sufficient conveyance transferred to your petitioner in trust for the plaintiffs in this suit and others similarly situated.

A heavy responsibility was thus placed upon your petitioner in regard to the handling of the property in the various states, and his management of the same was further complicated by the statutes of these various states in regard to building and loan associations, real estate conveyances, titles and other matters that had to be considered in enforcing the rights of the creditors.

Before any dividends could be declared or paid to creditors of the defendant corporation in this proceeding, it was and is necessary to find the exact proportion to which creditors in each of

these states are entitled. This could only be ascertained by the decisions of the courts of such states in suits pending therein to determine the question of preferences. The interests of the creditors of the defendant corporation in a proper determination of these issues is so great that all possible steps were taken by your petitioner for the protection of the receivership estate in such suits.

XXX.

Another problem that caused a great deal of anxiety to your petitioner was that growing out of the situation in Utah. The judge of the United States District Court announced that he would not appoint any ancillary receiver in that state. [55] Ancillary proceedings were therefore brought in the state court and James L. White was appointed ancillary receiver. He took the position that he had a right to make offsets and trades with debtors of the corporation and allow debtors to purchase claims of creditors, even subsequent to the appointment of a Receiver, and apply such purchased claims against the amount of their indebtedness to the defendant corporation and receivership estate. Your petitioner would not countenance any such proceedings for the reason that such proceedings would leave the door open for fraud; many people would purchase at a discount claims against the corporation for the purpose of offsetting them as against the mortgage indebtedness due the corporation. Moreover the attitude of the ancillary receiver in Utah resulted in propaganda among the

creditors of the corporation to the effect that they had better accept 5 or 10 cents on the dollar for their claims rather than trust to this Court doing justice in the premises. A similar propaganda was instituted in Arizona and some creditors were fraudulently induced to part with their claims as a result thereof.

The ancillary receiver in Utah also refused to press suits against the directors of the corporation resident in Utah, against whom your petitioner believed there existed valid claims in excess of \$100,000.00. Your petitioner was advised and believes that these directors are solvent, and although your petitioner through his attorneys furnished the ancillary receiver in Utah with a form of complaint and full information as to evidence existing, sufficient in the opinion of your receiver and his attorneys, to justify a judgment in favor of said ancillary receiver, said ancillary receiver refused to take any action in the premises. [56]

XXXI.

A great deal of labor was also entailed upon your petitioner in regard to the titles of lands in the various states, conflicting descriptions, questions growing out of tax sales, and also questions growing out of insurance and fires. The problems were further complicated by emergency laws in the states, and particularly by moratorium acts, as well as by statutes carrying a penalty upon a refusal to release mortgages when paid. Further problems arose out of properties located in irrigation districts in the various states.

XXXII.

A very complicated situation existed in Canada. That country had enacted moratorium laws which went far beyond anything that we had in the United States and rendered collections almost impossible, and greatly depreciated the value of the securities existing in that country. The situation in Canada was further complicated by the fact that a Canadian corporation had been formed to handle the business in Canada and this corporation had sold the major portion of its accounts to the Canadian corporation. The situation was again complicated by the difficulties arising from defaulting officers and agents of the corporation who had been in charge of the business in Canada.

XXXIII.

The great problem was to salvage the assets in these various states for the benefit of the creditors of the corporation. A great deal of your petitioner's time was consumed with these problems, as they were presented to your petitioner by officers and their attorneys from the various states in which the properties were situated, and by mortgagors and creditors and their attorneys. Also receivers, or their attorneys from all of the states, except Idaho, visited your [57] petitioner at Phoenix to inspect the records and confer with him concerning the assets in their respective jurisdictions.

XXXIV.

That in the inventory filed in this Court prepared by James A. Smith, C.P.A. there appears a detailed

statement of the various properties and securities that came into the possession of your petitioner. That said inventory was compiled from the records of the corporation and show assets as they appeared on the books of the corporation as of November 30, 1935. They do not represent the actual state of the accounts for the reason that there had been charged therein by the corporation as against the borrowers, usurious interest, fines and penalties not authorized by law, and as against the accounts of the creditors of the corporation, there was also charged fines and penalties not authorized by law, as hereinbefore set forth. In setting up the accounts owned by the corporation no attempt was made to give the actual value, but only such as appeared on the records of the corporation, and these entries apparently represented no actual value but costs to the corporation, including taxes, insurances and expenses of litigation. The inventory does not purport to show the legal status of the securities or the accuracy of the individual accounts as carried on the books of the corporation. The use of the term "book value" in this report and in the exhibits hereto attached represent the figures as they appear upon the records of the corporation and are not to be construed as fixing the real or true value of the items.

XXXV.

That Exhibit No. I hereto attached shows the assets of the defendant corporation in the state of Arizona in possession of your petitioner in the form

as they existed on April 1, 1937. That during the period of your petitioner's administration as receiver, there has been added to the various accounts and [58] *and* notes receivable as set up on the books of the corporation, additional amounts covering interest, insurances, taxes and other proper charges, and there has also been deducted therefrom usurious charges made to these accounts by the defendant corporation prior to receivership. These assets are shown on Exhibit No. I as they appeared on April 1, 1937, in the amount of \$1,597,841.89.

From the total of said assets as shown on said Exhibit No. I, we have made a deduction of \$248,-228.54 for possible losses that may occur upon realization thereof during the course of the receivership administration. The deductions made on the assets where the securities are within the state of Arizona are based upon the experience of your petitioner in his sales, compromises and collections, together with an inspection of the real property. Upon the promissory notes secured by mortgages on lands outside of Arizona, which came into the physical possession of your petitioner as an Arizona asset, an arbitrary allowance of 40% is made to cover possible losses upon collections, your petitioner believing that such a deduction will more than cover any losses that are likely to be sustained in the administration of the receivership estate. A deduction of 75% has been made on the furniture and fixtures, for the reason that the valuation thereof appearing on the books of the corporation

represents the original cost of such furniture and fixtures and no depreciation had been taken thereon during all of the time that it has been in use by the corporation. Your petitioner therefore believes that 25% of its original cost would probably be the amount realizable by the receiver in disposing of such asset. The net estimated value of the Arizona assets is \$1,349,613.35.

That Exhibit II attached hereto is a statement of the assets outside of the state of Arizona and in the hands of ancillary receivers or state officials, but in the constructive possession of this Court, and subject to the rights of the [59] primary receiver and by the decree of this Court title vests in the receiver appointed by this Court and his successors in office. These assets are shown on said Exhibit II as they appeared on November 30, 1935, in the sum of \$1,135,229.34. It will be noted that we have made a deduction of 40% from the figures shown by the ledger balances as of November 30, 1935 upon loans secured by mortgages and conditional sales contracts and upon real estate owned by the defendant corporation. In making this deduction for possible losses your petitioner has set up an amount which he believes will be more than sufficient to cover any such losses. In making the deduction for depreciation on furniture and fixtures outside of the state of Arizona, your petitioner has followed the same rule that he applied to this item within the state of Arizona, namely a reduction of 75% from the amount set up on the books of the corporation as the cost price. The total deduction made on

assets outside of the state of Arizona is \$365,179.87, leaving a net estimated value of \$770,049.47.

By reason of the fact that the final decree in this proceeding was not signed and filed until January 5, 1937, it was impracticable and beyond the powers of your petitioner to have made any detailed personal inspection and appraisal of the properties situated in states other than Arizona that came into his constructive possession, until subsequent to the signing of said final decree on January 5, 1937, and there was not sufficient time between that date and April 1, 1937 for your petitioner to make this inspection and appraisal and perform his other duties as receiver of said corporation.

In connection with Exhibits I and II it will be noted that your petitioner has deducted for such possible losses the sum of \$613,408.41, which amount in the opinion of your petitioner is more than adequate to cover any such losses, making a total net estate of \$2,119,662.82. [60]

XXXVI.

Among these items, shown in Exhibit No. I, is an item of \$15,000.00. This is represented by a trust agreement to secure an indebtedness from J. A. Swanson & Co., Ltd., your petitioner having sold the Canadian assets to said J. A. Swanson & Co., Ltd. and the indebtedness being secured by said trust agreement. This was done upon an order of the Court duly made after these assets had been appraised by independent appraisers appointed by this Court as having a value of \$15,000.00, these

appraisers including a bank officer and officer of a title company and an attorney. There had been previous appraisals made by responsible parties in Canada, giving the assets approximately the same valuation. These assets appear upon the inventory and report of November 30, 1935, as having a book value of \$39,896.32.

A former representative of the defendant corporation in Canada had collected \$12,405.95 upon the Canadian assets and diverted the same to his own use. Recovery of this amount was practically hopeless. The cause of action for the recovery of the same for whatever it might be worth was included in the sale to Messrs. Swanson & Company.

The securities taken in Canada by the defendant corporation were very poor and scattered over much territory in the Western part of that country, and some of the loans were on properties more than 100 miles distant from railroads and located in lumber and mining camps which had ceased operation.

In addition to the foregoing, very drastic moratorium laws had been enacted in Canada which rendered collection of these assets by your petitioner almost impossible. A further difficulty arose from the fact that these assets were situated in a foreign country and it was practically impossible for [61] your petitioner to administer them from Arizona, and to administer them through the Canadian courts would be difficult and the expense would probably consume the bulk of such assets.

XXXVII.

That among the assets of the defendant corporation at the time your petitioner took actual possession on November 30, 1935, were 175 promissory notes secured by mortgages upon real property in Arizona, purporting to represent an indebtedness to said corporation in the sum of \$431,118.04, a detailed statement of which appears on pages 9 to 19, inclusive, of said inventory prepared by James A. Smith, C.P.A.

XXXVIII.

That 40 of said promissory notes were refinanced through the Home Owners Loan Corporation, from which your petitioner received the sum of \$56,821.00 in cash or bonds from said Home Owners Loan Corporation. In addition thereto he received additional salvage in the form of cash and notes and mortgages from the mortgagors amounting to the sum of \$6,314.88; that the total amount of cash and bonds, together with the salvage received on these notes amounted to the sum of \$63,135.88; that he collected \$920.44 on said salvage up to the 1st day of April, 1937.

In addition to the above your petitioner took from the mortgagors of said notes, assignments of three certificates of the Intermountain Building & Loan Association of Arizona, assignments of two certificates of the First National Building & Loan Association of Arizona, and assignments of two certificates of the Intermountain Building & Loan Association of Utah, having a face value of \$2,144.55,

on which he had collected prior to the consummation of the settlements with the Home Owners Loan Corporation \$293.28, and the sum of \$40.65 subsequent to that [62] time. Dividends on certificates having a face value of \$1463.19 are to be applied on the salvage notes, and the remainder was taken as additional salvage. The real value of these certificates cannot be computed at this time.

That attached hereto and made a part hereof marked Exhibit No. V is a statement of these settlements with the Home Owners Loan Corporation and the salvage taken, together with a statement of the amounts received on such salvage; that your petitioner has heretofore filed with this court a detailed account of each of the transactions with the Home Owners Loan Corporation.

That in all settlements obtained from the Home Owners Loan Corporation, your petitioner obtained 100% of the value of the securities as determined by the appraisals made by the officers of that organization, and in addition thereto obtained the additional salvage in cash, notes, mortgages and assignments of certificates as hereinbefore stated. Your petitioner believes, from his knowledge of the parties and the properties, that a sum of at least \$4,000.00 of the face value of said salvage should be recovered.

XXXIX.

That 25 of said promissory notes and mortgages which came into the possession of your petitioner on November 30, 1935, as shown on Exhibit No. VI hereto attached, were collected in full, amounting

to the sum of \$14,644.05, and the mortgages released of record. These notes were set up on the books of the corporation as having a value of \$14,963.94, but the sum of \$1,886.49 thereof consisted of usurious interest and improper charges, and the actual value as of November 30, 1935, was \$13,077.45, and this amount, together with the accrued interest thereon was collected in full. [63]

XL.

That 9 of said notes and mortgages coming into the possession of your petitioner on November 30, 1935, were compromised pursuant to orders of this Court, and the total amount realized thereon was \$24,519.47, an itemized statement of which is shown on Exhibit No. VII hereto attached and made a part hereof. On these compromised loans the full value of the securities as determined by this Court after a full hearing thereon, was obtained.

XLI.

That 5 of said notes and mortgages coming into the possession of your petitioner on November 30, 1935, were compromised pursuant to the orders of this Court by your petitioner taking deeds therefor, as shown in Exhibit No. VII hereto attached. These notes were set up on the books of the corporation as having a claimed book value of \$15,516.78. All rents collected have been applied to the accounts; the interest has been adjusted by deducting usurious charges; taxes, insurance and upkeep have been paid, the balance due as of March 31, 1937 being

\$14,743.48, and the property now stands on the books as real estate owned as of that value.

XLII.

That your petitioner instituted 56 suits in foreclosure covering 61 of said promissory notes and mortgages that came into his possession *of* November 30, 1935, as shown on pages 5 to 9, inclusive, of Exhibit No. VIII hereto attached.

That on 40 of these foreclosure suits, involving 44 mortgages, judgments have been obtained and sheriff's certificates of sale issued thereon, the total amount of said judgments amounting to \$201,943.97, as shown on pages 1 and 2 of said Exhibit VIII. The amount of the principal as carried on the books of the corporation amounted to \$135,648.76, as shown [64] on the inventory of April 1, 1937. Interest, taxes, repairs, insurance and costs of foreclosure, including attorney's fees allowed in the sum of \$13,350.64, were added to this amount and judgments procured in the said sum of \$201,943.97. The properties were sold at sheriff's sale by your petitioner for \$175,124.00 and deficiency judgments in the amount of \$26,819.97 were taken. Three deficiency judgments totalling \$700.00 were satisfied and released in consideration of the Receiver being given immediate possession of the premises and quit claim deeds relinquishing their rights of redemption. In certain instances where the judgment debtors were execution proof, your petitioner bid the full amount of the judgment in consideration of the mortgagors waiving their equity of redemption

and surrendering possession of the property, so that your petitioner could obtain the income from the rents thereof that he would not have been able to have otherwise obtained without the expense of receiverships.

It is the opinion of your petitioner after a careful inspection of these properties, that together with the rentals received and to be received, the sale price and the deficiency judgments, there should be recovered in the aggregate 75% of the amount of the judgments. In this connection it should be noted that in every instance the Receiver is in possession of the property and receiving the rents, issues and profits thereof.

That 14 of said foreclosure suits covering 15 loans were still pending at the time your petitioner turned over the assets of said corporation to his successors Harry W. Hill, Esq. The principal balance due on these loans as of April 1, 1937 amounted to \$29,947.78, and the amounts of the judgments prayed for in said suit amounted to the sum of \$42,242.67, as shown on page 4 of Exhibit VIII hereto attached. [65]

That two of said suits in foreclosure, pertaining to Loans No. 1727 and 2109 were compromised by taking a deed in one instance (Exhibit VII), and receiving the entire balance due in the other (Exhibit VI).

XLIII.

That 37 of said notes and mortgages which came into the possession of your petitioner on November 30, 1935, are still outstanding on the books of the

corporation as shown on Exhibit No. IX hereto attached. The amount due on these accounts is shown in the inventory of November 30, 1935, as \$106,463.25. That after deducting collections subsequently received and applied thereon, and deducting usurious interest charged, there remained due as of April 1, 1937, the sum of \$96,860.44. That the entire amount thereof should be recovered for the benefit of the estate, with the exception of Loan No. 951, where the Court had authorized a compromise which would show a book loss of \$210.57.

XLIV.

The items in the accounts shown on Exhibit VIII, page 4 hereof, "Foreclosure Suits Pending", and in Exhibit IX hereof, "Notes and Mortgages Upon which Payments were being made April 1, 1937," together with account No. 2204, Catherine Short, which is included in Exhibit VIII, page 2, "Real Estate subject to Redemption (which loan was foreclosed and sheriff's certificate of sale obtained thereon), are all included in the inventory of Harry W. Hill, Esq., dated April 1, 1937, under the title of "Real Estate Loans—Arizona". All of these items are brought into reconciliation with said inventory of Harry W. Hill, Esq. on Exhibit IX hereof. [66]

XLV.

With reference to the foreclosure suits pending (Exhibit VIII, page 4), and the active mortgages outstanding (Exhibit IX), which comprise 52 accounts, forty-three thereof are amply secured by

the lands mortgaged, based upon my valuation of same after a careful inspection of the properties in question. As to the remaining properties, as a result of the inspection and appraisal made thereof by your petitioner, he is of the opinion that there will probably be a loss thereon.

Among these loans is one to Lynn Lockhart, No. 2276, in the amount of \$58,027.96. While your petitioner does not believe that the present market value of the property securing this loan is sufficient to save the defendant corporation from loss, after deducting the taxes and assessments, some of which had accumulated prior to the making of the loan, he believes the financial responsibility of Mr. Lockhart is sufficient to offset any such loss, and that the full amount could be collected. In connection therewith, this property is in the possession of the Receiver, and he is deriving a monthly rental therefrom of \$500.00 per month.

The loan to Andrew Bettwy, No. 1637, upon which foreclosure proceedings have been instituted, and which is carried on the books of the corporation at \$2,347.73, your petitioner regards as very doubtful, for the reason that the taxes and paving assessments were allowed to accumulate against said property by the mortgagor and the Corporation since the date the loan was made. However, it may be possible to collect a judgment against Mr. Bettwy for the unpaid balance upon this loan in the mortgage foreclosure proceedings pending.

As to the loan of the Ingleside Land Company, No. 2290, carried on the books of the corporation

at \$9,650.84, the security thereon is sufficient, provided the theory of the attorneys for [67] your petitioner as expressed in their opinion is correct in connection with a suit which is now pending in the courts in regard to this matter, this cause being No. 42100-A, Superior Court of Maricopa County. The attorneys who represented me as Receiver have advised that in their opinion a judgment can be obtained in favor of the Receiver, together with foreclosure of the rights of the defendant corporation in the premises, which can be collected out of the securities given. They further advise that the rights of the Receiver for the Intermountain Building & Loan Association is superior to that of Y. C. White, Superintendent of Banks of Arizona as to a portion of the property involved.

Loan No. 378, Eleazor S. Munoz, in the amount of \$483.04 has been foreclosed and judgment taken. This, together with the rents and sale price, will probably pay out.

Loan No. 951, C. G. Madrid, in the amount of \$360.57, this Court has entered its order authorizing a compromise in the amount of \$150.00.

Loan No. 1212, Dewey Farr, in the amount of \$1203.17 will probably pay out approximately \$1,000.00; foreclosure proceedings have been instituted.

Loan No. 1467, Vinton Hammels, in the amount of \$1381.43 will probably pay out around \$1200.00; foreclosure proceedings have been instituted.

Loan No. 2198, John G. Hales, in the amount of

\$1151.26 will probably pay out around \$1,000.00; foreclosure proceedings have been instituted.

Loan No. 2124, J. R. Williams, in the amount of \$5,059.74 should pay out on the basis of around \$3,500.00; foreclosure proceedings have been instituted.

Loan No. 2289, Robt. H. Cairns, in the amount of \$2262.70 will probably pay out on the basis of about \$2,000.00; foreclosure [68] proceedings have been instituted.

Improved market conditions may minimize the loss on these accounts, and some may in some instances be offset by deficiency judgments.

XLVI.

That the following is a summary of the handling of said 175 notes and mortgages taken over by your petitioner on November 30, 1935:

25 were paid in full (Ex. VI), amounting to.....	\$ 14,644.05
40 were refinanced through H. O. L. C. and salvage taken (Ex. V) in the amount of	63,135.88
Amount recovered on assigned certificates taken as additional salvage thereon	333.93
44 were converted to judgment and sheriff's deed taken, (Ex. VIII, p. 1-2) in the amount of.....	201,943.97
15 were in suits pending in foreclosure on April 1, 1937, the amount prayed for in the judgments (Ex. VIII, p. 4) amounting to.....	42,242.67
9 were compromised (Ex. VII) for the amount of....	24,519.47
5 deeds were taken (Ex. VII) April 1, 1937 balance	14,743.48
37 remain active, (Ex. IX), the balance due as of April 1, 1937 being	96,860.44

XLVII

That as shown by the inventory of James A. Smith, C. P. A., pages 48-50 thereof, filed in this

proceeding, 80 pieces of real estate situated in the state of Arizona came into the possession of your petitioner on November 30, 1935, having a total balance on the books of the corporation of \$396,-415.86.

That 10 of these properties were sold for cash in the aggregate sum of \$64,250.00, as shown on Exhibit No. X hereto attached. The appraised value thereof as fixed by appraisers appointed by this Court was \$66,287.00. The amount realized therefore was approximately 97% of the appraised value of the properties sold.

That 13 of these properties were sold on contract for [69] the aggregate sum of \$18,700.00, plus taxes assumed by the purchaser of one of the properties in the sum of \$1353.05, the total consideration being \$20,053.05, as shown in Exhibit No. X hereof. The appraised value thereof as determined by appraisers appointed by this Court was \$19,315.00. The amount realized therefore was more than 100% of the appraised value of said properties. This indebtedness is amply secured and will pay out in full.

This Court prior to the 1st day of April, 1937, confirmed the sale of 4 pieces of real estate, as shown in Exhibit No. X hereof, for the aggregate sum of \$8,142.50, the full amount of which should be recovered. These sales were made by your petitioner prior to April 1, 1937 and final orders confirming such sales had been made by the Court, but the titles had not been approved by the representatives of the purchasers until subsequent to

April 1, 1937, when the considerations were paid to the successor of your petitioner. The appraised value of these properties as determined by appraisers appointed by this Court was \$8,400.00. The amount realized therefore was more than 96.8 per cent of the appraised value.

Two pieces of property, REO No. 341 and 360, which had been foreclosed by said Association, were refinanced through the Home Owners Loan Corporation, as shown on Exhibit V hereto attached. The total amount received thereon was \$3,697.57 in cash and bonds, and \$131.00 in salvage, on which the sum of \$44.61 has been collected.

That 51 of said properties are still unsold and possession remains in the Receiver, as shown on Exhibit No. XI hereto attached. The balance as shown on the books of the corporation as of November 30, 1935 amounted to \$269,858.01. The balance as of April 1, 1937, amounted to the sum of \$269,951.00, [70] which reflects interest adjustments made, payments of paving assessments and improvements, together with amounts credited for deposits which were made by prospective purchasers, as shown on said Exhibit XI, which also shows the reconciliation of Real Estate Owned as shown in the inventory of April 1, 1937.

XLVIII

That the following is a summary of the handling of said 80 pieces of real property which came into the possession of your petitioner on November 30, 1935:

10 were sold for cash (Ex. X)	\$ 64,250.00
13 were sold on contract (Ex. X)	18,700.00
4 were sold prior to April 1, 1937, but consideration was not received until after said date (Ex. X).....	8,142.50
2 were refinanced through H. O. L. C. (Ex. V).....	3,828.57
51 remain unsold, the ledger balance as of April 1, 1937 (Ex. XI) being	269,951.00

XLIX

That on the 25 mortgages collected, 40 refinanced through the Home Owners Loan Corporation and 9 compromised, and the 10 properties sold for cash, 13 sold on contract, 2 refinanced through the H. O. L. C. and 4 sold prior to April 1, 1937, but on which consideration had not been received until subsequent to April 1, 1937, your petitioner received in excess of the amounts required by statute and in the aggregate, 90% of the appraised value thereof.

L.

That there were five real estate contracts outstanding on the books of the corporation at the time your petitioner took possession, as shown on page 41 of the inventory of November 30, 1935.

Contract No. 161, Tony M. Coury, was paid in full in the amount of \$226.73.

Contract No. 117, F. E. Fidler, and Contract No. 148, Troy J. Welch were cancelled for the reason that the purchasers failed to meet the terms of their contracts. These items were [71] transferred to Real Estate Owned, and are shown in the inventory of April 1, 1937, as REO 366, ledger balance \$1127.66, and REO 367, ledger balance \$1734.39.

Contract No. 170, showing a balance of \$3,077.52 and Contract No. 181 of \$968.82, as of April 1, 1937, are still in effect, and will undoubtedly be paid out in full as they are amply secured.

LI.

That there were listed certain assets claimed by the Corporation, totaling the sum of \$51,000.00, said assets consisting of stocks in the Home Building & Loan Association, Insolvent. These stocks were worthless at the time these assets were turned over to your petitioner and are now worthless. They represent unlawful and illegal investments made by the officers and directors of the defendant corporation, and are not listed as an asset on Exhibit I. hereto attached.

LII.

That there was also included on the books of the defendant corporation accounts with the defunct First National Bank of Mesa, the defunct Yuma National Bank, and J. E. Moore, Insolvent, totaling the sum of \$468.89, on which your petitioner collected \$19.93 in dividends. These insolvent matters have been closed, and the book loss to the defendant corporation is \$448.96.

LIII.

That an adjustment was made on the account of Wm. G. Tisdale, No. 1457, making him an allowance of \$57.71. A similar allowance was made on No. 2127, George Bly, of \$41.24, as shown on

Exhibit No. VII hereto attached. These allowances were made under orders of Court and the accounts continued in force. [72]

LIV.

In order to reconcile the ledger accounts found on the books of the corporation as of November 30, 1935, with the refigured and adjusted interest after the same was computed to eliminate usurious charges and penalties, and account was set up on the books as "Receivers Set-Off in Liquidation—Arizona", which set-off amounted to \$15,757.57 as of April 1, 1937.

An account entitled "Loss on Realization", or "book loss" was set up also in order to reconcile the inventory ledger balance and the difference between the amount realized when the property was disposed of and the amount carried on the books of the corporation claimed as being due it. This book loss amounted to \$50,639.04, as of April 1, 1937, as shown on Exhibit No. XII hereto attached, and corresponds with the amount shown in the inventory of Harry W. Hill, Esq.

It will be noted that this book loss is in no sense a loss due to the administration of your petitioner, but was simply carried on the books of the corporation to reconcile the difference between the amount claimed as due by the corporation and the amount received by your petitioner.

LV.

That a part of the assets under the direct supervision and control of your petitioner was a certain property in the state of Nebraska having a claimed value of \$9481.33 as of November 30, 1935. No legal proceedings in the nature of ancillary receivership was had in the state of Nebraska but all handling of the property was direct from the Phoenix office. The property is valuable and under order of this Court the mortgage existing against said property was paid when it became due, together with the taxes, etc., in order to preserve the property for the benefit of the receivership estate. [73]

LVI.

There is also a property situated in Jennings, Oklahoma, REO 32, carried on the books of the corporation as having a value of \$630.17 as of November 30, 1935. This property I regard as of doubtful value by reason of taxes, etc. accumulated thereon subsequent to the date when title was acquired by the Association, namely September 26, 1927, and the present deserted condition of the community; that it would probably be to the advantage of the estate to abandon same. This property is not listed as an asset on Exhibit I hereto attached.

LVII.

The office fixtures and miscellaneous personal property listed in the inventory prepared by James A. Smith filed in this cause, have all been turned over to Harry W. Hill and accounted for in his

inventory of April 1, 1937, except such items as were sold for cash pursuant to orders of this Court; that the money received for same is reflected in the cash account.

LVIII.

That all assets and records pertaining to states other than Arizona which are listed in the inventory prepared by James A. Smith, except those which were forwarded to ancillary receivers or state officials pursuant to orders of this court, were turned over to Harry W. Hill, and are accounted for in his inventory of April 1, 1937.

LIX.

That all promissory notes and certificates pertaining to certificate loans listed in the inventory prepared by James A. Smith, were turned over to Harry W. Hill, and are accounted for in his inventory of April 1, 1937. [74]

LX.

That after this Court had taken jurisdiction of this matter in April, 1933, and during the time when the Bank Commissioner of Utah was in possession of the assets of the corporation in Arizona, certain contracts and agreements were made with certain creditors of the Association by which assets of the Corporation were disposed of to them, and it was necessary for your petitioner to take legal action to protect the rights of the creditors from the preferences attempted to be created in this manner. While this litigation is not yet set-

tled, the principles involved are largely controlled by the decision in the Foerst case, hereinbefore referred to, and your petitioner has no doubt that the final decision will be in favor of the receiver of the Intermountain Building & Loan Association. These cases are set out in Exhibit No. XV hereto attached.

LXI.

That there is also listed on Exhibit No. XV hereto attached the suits brought by your petitioner to recover assets of the Association. In particular, your petitioner desires to direct attention to case No. 44001 to recover assets which it is alleged were fraudulently disposed of by Mark E. Waddoups to the Beneficial Investment Company and from the Beneficial Investment Company to Edw. G. Jenkins and Edna T. Jenkins. The properties conveyed are very valuable, and in the event said suit is determined favorably to the receivership estate a very substantial recovery should be had for the benefit of the creditors thereof.

Another suit to which your petitioner directs attention, is the suit brought against the Fidelity & Deposit Company and the officers of the Corporation. Your petitioner upon his own investigation and the advice of his counsel, is of the [75] opinion that \$50,000.00 can be recovered from the defendants and the surety company for the benefit of this receivership estate.

In case No. 44055 against the City of Phoenix filed in the Superior Court of Maricopa County, your petitioner was successful in saving to the re-

ceivership estate a large sum of money claimed as due for interest and penalties on delinquent taxes.

LXII.

That the assets of the defendant corporation located in states other than Arizona which came into the constructive possession of your petitioner, and which is referred to in paragraph VII hereof, are set out in detail in the inventory of James A. Smith, on file in this court, and except for the items forwarded to ancillary receivers or state officials in charge of the estate in the several states pursuant to orders of this Court, were all turned over to Harry W. Hill, as shown in his inventory of April 1, 1937.

That the value of these assets in the judgment of your petitioner, using his best judgment and discretion, is set out in Exhibit II hereto attached.

LXIII.

That your petitioner received no moneys from any of the several states, either from ancillary receivers or state officers, and that all changes in balance shown on the exhibits hereto attached relating to assets in said states, are based solely upon reports furnished him by said ancillary receivers or state officers.

LXIV.

That the assets in Wyoming are being administered by John T. Boyd as receiver appointed by the United States District Court for the District

of Wyoming, upon the petition of your petitioner which was filed pursuant to orders of this Court. [76] That in Wyoming the State Examiner claims a preference for residents of Wyoming to the amount of \$50,000.00 of notes and mortgages deposited with said official over residents of other states.

LXV.

That the assets in Idaho are being administered by Chas. A. McLean and H. S. McCluskey, co-ancillary receivers appointed by the United States District Court for the District of Idaho upon the petition of your petitioner, which was filed pursuant to the order of this Court. No preference for Idaho residents is claimed.

LXVI.

That the assets in Utah are being handled by James L. White as ancillary receiver appointed by the District Court of the Third Judicial District in and for Salt Lake County, State of Utah, upon the petition of creditors, the said administration being ancillary to the administration in this court. No preference for Utah residents is claimed.

LXVII.

That in the state of Oregon the assets are in the possession of the Corporation Commissioner of that state who asserts that under Oregon laws he is the statutory liquidator; that the rights of the plaintiffs and those similarly situated who are residing outside of that particular state is being con-

tested and a preferential right is being claimed for creditors residing in that state, disregarding entirely the equitable and legal rights of the creditors of this Corporation under the Constitution of the United States and the rules laid down by the Supreme Court of the United States. That pursuant to the order of this Court, your petitioner filed a petition in the United States District Court for the District of Oregon to establish the rights of the creditors in general. The case was heard before [77] a Master appointed by the court in January, 1937, but no decision had been rendered up to the time your petitioner turned over the assets of the Corporation to Harry W. Hill.

LXVIII.

A similar duty was imposed upon your petitioner in regard to the assets in California which were in possession of the Building & Loan Commissioner of that state, who likewise refused to recognize the rights of the creditors of the corporation in states other than California.

That pursuant to the order of this Court, a suit was filed in the United States District Court for the Southern District of California. Under the law, the nature of the case required the matter to be tried before a three-judge court. The matter was still pending and had not been heard at the time your petitioner turned over the assets of the Corporation to Harry W. Hill.

LXIX.

In connection with the matter of obtaining the appointment of these ancillary receivers, and in connection with the preparation of the data and evidence for filing suits in the several states and in the preparation of the pleadings and briefs, entailed a large volume of work by your petitioner, his office force and counsel, and by James A. Smith, C. P. A. This was necessary for the reason that all the records and data were in the possession of your petitioner.

All of the matters pertaining to the assets in the foreign states necessarily involved incurring an expense for the protection of the rights of the creditors and the preservation of the receivership estate, all of which proceedings were had pursuant to orders of this court. These expenses while paid by your petitioner are not properly chargeable to the liquidation of the Arizona assets alone, but are a proper expense [78] against the entire receivership estate.

LXX.

Under the decisions of the Supreme Court of the United States the lien of the plaintiffs and others similarly situated extended to each and every piece of property of the defendant corporation wherever situated, and the rights of such creditors were equal under the constitution of the United States, regardless of their residence or citizenship, so that aside from the matter of litigation, a large portion of the time of your petitioner and of the office force under his control, as well as the time of his attor-

neys, was required for the handling of the assets of the corporation situated in states other than Arizona.

Your petitioner was charged with important duties in regard to the handling of these assets under the provisions of the Amendment of 1935 to Section 847-848-849, Title 28, of the United States Code, Ann.

Among the duties required of your petitioner was the transfer under proper orders of this Court of books, records, notes, mortgages, etc. to the ancillary receivers or state officers in the states of Wyoming, Utah, Oregon, Idaho, California and Canada, for the purpose of aiding in the collection of the assets of the corporation in these states for the benefit of the creditors as a whole.

Another duty which required the expenditure of a great deal of time and expense in connection with the matters in the said states, and which is properly chargeable to the receivership estate as a whole, necessitated the giving of notice to all creditors in these foreign states concerning their claims, furnishing them blanks and data to enable them to file their claims, and answering their correspondence in connection therewith, and filing said claims pursuant to the order of this [79] Court which required that all claims be filed with your petitioner as the Primary Receiver of said defendant corporation, in order that this Court would be in a position to determine the rights of all the creditors of the Association wherever situated. This is an expense

not properly chargeable to the administration of the Arizona assets alone.

LXXI.

That by the final decree of this Court entered on the 5th day of January, 1937, title to all of the assets in the state of Arizona is vested in the Receiver of the defendant corporation.

That in accordance with the usual practice where trust properties are involved, said decree required the conveyance to the Receiver, in trust for the plaintiffs and others similarly situated, of all of the properties of the defendant corporation situated outside of the physical boundaries of Arizona, in order to enable the Receiver to give good title to the premises when disposing of same and to facilitate the liquidation of the receivership estate in accordance with the provisions of Title 28, Sections 847-849, inclusive, U. S. C. A. as amended in 1935.

That after said final decree was entered and served upon the attorneys for the defendant corporation, the directors of said defendant corporation failed to make said conveyances in accordance with said decree, and your petitioner thereupon procured an order to show cause from this Court why they should not comply with the terms of the decree of this Court, and this Court having entered a proper order requiring them so to do, the said directors thereupon held a meeting and appointed Stanley Jerman, Esq. as agent for the corporation to execute such conveyances. That your petitioner then prepared the legal descriptions of

all of the various properties [80] located in the several states for inclusion in the said conveyances, and the attorneys for your petitioner were completing the deeds as rapidly as time would permit. Said conveyances had not been completed at the time your petitioner turned over the assets of said corporation to Harry W. Hill. However, the work done by your petitioner in connection with the legal descriptions was available to and could be used by the said successor of your petitioner in having the properties conveyed to him. That in order to avoid excessive recording charges these conveyances were divided into conveyances covering properties located in the several counties of the aforementioned states.

LXXII.

Having in mind the necessity for as speedy an administration of this receivership estate as the condition of the assets would permit, your petitioner conducted all of these receivership proceedings under high pressure, both of himself, his attorneys, and of the force employed by him, with the plan in mind that the receivership estate could be closed within a period of approximately thirty months from the time that he obtained the physical possession of the assets on November 30, 1935, and that within such time the assets of the defendant corporation could be reduced to cash without a sacrifice of the interests of the creditors of the Corporation.

That within said period he proposed recommending to the Court the payment of dividends to credi-

tors filing claims in the proceedings as soon as a reasonable time was allowed for the filing of these claims and as soon as the questions of law arising in the foreign states as to claims of preferential rights in the premises were determined. The time fixed by the order of this Court for the filing of claims expired on the 22nd day of February, 1937, and such was a reasonable time for the [81] filing of these claims, which was necessarily long because of the fact that these creditors were scattered over many states and foreign countries, including China.

That at the time your petitioner turned over the assets of the corporation to Harry W. Hill, there was on hand a sufficient sum of cash and liquid assets in the hands of your petitioner for the declaration of a substantial dividend to these creditors, but that it was impossible to pay such a dividend until there was a satisfactory termination of the litigation in the states hereinbefore mentioned and suitable accounting to your petitioner by the ancillary receivers appointed in other jurisdictions by the courts of Wyoming, Idaho and Utah.

LXXIII.

That from a close study and analysis of the securities held by the defendant corporation and the results of the receivership administration to April 1, 1937, your petitioner feels justified in saying that the assets now in possession of the present receiver, together with the assets in the hands of the ancillary receivers and state officers of other states, are sufficient to net dividends amounting to at least 70% upon the claims filed in this proceeding.

Your petitioner feels that the results heretofore obtained in the sales and settlements made in Arizona, and which are shown in the exhibits attached to this report, are sufficient evidence to support this conclusion.

LXXIV.

That Exhibit No. XIII hereto attached is a summary of the changes between the amounts set out in the original inventory prepared by James A. Smith and filed in this Court and the inventory of Harry W. Hill filed in this Court, wherein receipts, offsets and adjustments are shown as charges to the [82] respective accounts set out in your petitioner's inventory and his operating accounts, and the disbursements, offsets and adjustments are shown as credits to the respective inventory and operating accounts, all of which reflect the net change in the cash on hand and in banks received by your petitioner as of November 30, 1935 and as receipted for by Harry W. Hill on April 1, 1937, and in the respective accounts.

This summary and exhibit was prepared by Mr. C. M. Berge, who was employed by your petitioner as auditor and has been retained as such by Harry W. Hill, who succeeded your petitioner as Receiver, subsequent to the accounts and assets being turned over to Mr. Hill.

The method and form of accounting was set up for your petitioner by Mr. James A. Smith, Certified Public Accountant, appointed by this Court in co-operation with Mr. C. M. Berge who had been auditor for the corporation prior to receivership.

The said Exhibit and summary upon information and belief of your petitioner accurately reconciles all balances shown with corresponding items in the original inventory of assets and liabilities on file in this Court as prepared by James A. Smith, C. P. A., and the inventory of Harry W. Hill on file in this court.

Every dollar of cash received by your petitioner was deposited in the banks designated by this Court and every expenditure made therefrom is shown by voucher and check on file with Harry W. Hill, pursuant to the order of this Court, dated March 26, 1937.

Every dollar of offsets charged to expense or deducted by reason of compromises, adjusted interest, or loss on realization from ledger balances which were accepted and used as inventory balances by your petitioner and his successor, are shown on vouchers and on the books and records turned over to Mr. Hill [83] pursuant to orders of this Court, and are shown in substantial detail in the several exhibits made a part of this report.

No breakdown of expense of operation as between the Arizona office and the work done in connection with accounts and assets in other states is shown on the exhibits or on the books.

All receipts of cash, all journal transactions, all adjustments and all disbursements, all accounts of agents in charge of rental property, showing the gross receipts less agent's deductions for commissions and expenses therefrom, and all and every

transaction between November 23, 1935 as of November 30, 1935 and June 1, 1936 were accounted for on a National Cash Register accounting machine.

The said accounting machines which were in use at the date your petitioner took over the duties of his office did not provide for a segregation between cash items and other adjustments. However, the details of each and every transaction passed through the accounting machines and affecting the receiver's records are shown in detail upon the machine audit strips and upon accompanying vouchers, all of which constitute the original record of entry of the transactions during said period, and which are at the order of this Court now in the possession of Harry W. Hill.

On June 1, 1936, the method of keeping the records was changed from the machine accounting system to a manual system, for the reason that the machine did not belong to the receivership estate and the price asked for the same from your petitioner to purchase it was excessive.

That to designate the change in each note, contract and property accounts held by your petitioner during the period between November 30, 1935 and April 1, 1937, would require a report so voluminous as to exceed in size the joint inventories filed by your petitioner and his successor, and would necessitate [84] several weeks of labor of an expensive and costly nature and which would interfere with the office routine of the successor of your petitioner and his use of said records and which your

petitioner does not feel justified in the premises.

The titles of the accounts set out in the Exhibit are of course arbitrary and are adapted to correspond with the accounts as kept by the corporation, and may, unless the breakdowns are examined, be somewhat confusing—to illustrate: In the real estate operating account there is charged as expenses of operating, taxes, street and sewer assessments, insurance, title expense, repairs and maintenance—all of which were not a true expense of operation, but necessary disbursements for preservation of the properties comprising the estate, and represent for the most part liabilities against the estate at the date your petitioner was appointed. However it was necessary to charge and carry them as expense in order to reconcile the accounting with the inventory balances and the individual accounts.

There is no separate segregation of accounting expense as between the cost of taking inventory, reducing the property to possession of your petitioner as Receiver and the actual expenses involved in litigation, both here and in other states, looking toward recoveries upon bonds of officers of the corporation and from said officers, and expenses of foreclosure of mortgages which provide for the payment of attorney fees which are recoverable items, all of which were made for the preservation of the receivership estate, and as said are not in truth and in fact items of expense chargeable to operation.

The accounts reflecting changes in states other

than Arizona are based upon reports furnished your petitioner by ancillary receivers and state officials in possession of the assets in said states, and constitute book entries only, as no moneys were turned over to your receiver by said ancillary [85] receivers and state officers.

LXXV.

That your petitioner at the time of his appointment as Receiver, was and now is a member of the State Bar of Arizona and of the Bar of the District Court of the United States in and for the District of Arizona and of the United States Supreme Court, and engaged in the active practice of the law, and maintained a law office in the city of Phoenix, Arizona.

That upon the appointment of your petitioner as Receiver pendente lite and the giving of the supersedeas bond hereinbefore referred to, your petitioner was instructed by Hon. Fred C. Jacobs, Judge in and for the Federal District of Arizona, who was then presiding in said proceeding, to act as his own attorney during the pendency of the appeal proceedings; that your petitioner acted as his own solicitor during all of said period, to wit, from the 20th day of April, 1934, up to the 30th day of November, 1935, a period of nineteen months and ten days, at which time the Court, by orders duly made, appointed counsel in aid of and to represent your petitioner as receiver in further proceedings.

LXXVI.

That during the time said case was on appeal your petitioner received and carried on a voluminous correspondence initiated by mortgagors in this and other states who were in doubt as to whether to make payments upon their notes and mortgages to the state officers claiming the right to administer the assets in the several states—including the Bank Commisisoner of Utah who claimed the right to administer the assets in the state of Arizona—or whether to make payments to your petitioner as receiver.

Your petitioner also had numerous interviews with [86] mortgagors and their attorneys. He also had a voluminous correspondence with numerous mortgagors and their attorneys in this and other states, pertaining to the refinancing of their mortgages through the Home Owners Loan Corporation. He also had correspondence and conferences with state officers claiming the right to administer the assets, and their atorneys, and with officials and attorneys of the Home Owners Loan Corporation pertaining to the refinancing of mortgages through the Home Owners Loan Corporation. He was also called upon by certificate holders to determine what they should do with reference to making further payments on their certificates, or collecting the same, and also had voluminous correspondence and numerous conferences with certificate holders and their attorneys pertaining to their rights.

Your petitioner was also served with pleadings

in suits brought against the corporation and J. A. Malia, Bank Commissioner of the State of Utah, who was in possession of the assets of the Association, which required the study of these cases and his responsibilities and liabilities in connection therewith for the protection of the receivership estate.

He was also required by his duties to investigate and study the laws and decisions of the courts of the several states and the Home Owners Loan Corporation Act, and the laws and decisions pertaining to Federal Equity receivership, so that his actions in the premises would protect the receivership estate and would not subject him and his sureties to any liability for his acts or failure to act in the premises.

In all of these matters your petitioner, under direction of the Court, acted as his own solicitor, and as a result thereof at least one half of his time between April 20, 1934 and November 30, 1935 was consumed in matters pertaining to his appointment as receiver pendente lite of the defendant [87] corporation, and he was by reason thereof prevented from taking other business, and particularly any business which in any way pertained to or conflicted with his appointment as receiver of the defendant corporation.

LXXVII.

That beginning with the 30th day of November, 1935, to and including the 1st day of April, 1937, after your petitioner was made permanent receiver, his duties as such receiver were so great that he

was compelled to bring in other attorneys to take care of his pending law practice on matters not related to the receivership, to refrain from taking on new business and to close his law office and devote practically all of his time to the affairs of the receivership estate. In no other way could the interest of the creditors of the corporation be protected and the liquidation of the estate be reasonably expedited and payments of dividends made to creditors. And in this connection your petitioner labored, not only during reasonable office hours, but at night and even on Sundays and Holidays, in many instances working during the day and driving to the various cities of the state at night on the business of the receivership.

LXXVIII.

That beginning with the 2nd day of December, 1935, to the 1st day of April, 1937, your petitioner and his attorneys have filed in this court 549 separate instruments, many of which are supported by exhibits, and all of which necessitated many appearances in court by your petitioner and his attorneys, both in Phoenix and in Prescott, Arizona, and also many of which matters required the preparation of briefs and diligent study of the law and decisions pertaining thereto. That a transcript of the docket entries thereof is shown in Exhibit XIV hereto attached.

This exhibit does not take into consideration the [88] pleadings and briefing of the cases filed in the states of Wyoming, Utah, Idaho, California

and Oregon, nor the voluminous exhibits prepared in connection with the sale of the Canadian assets, nor the briefing of the law in connection therewith, nor the appearances in the courts of said states. Nor does this exhibit include the list of pleadings, etc. filed in connection with the foreclosures of mortgages in the Superior Courts of the various counties of this state, many of which were contested and moratoriums asked, a list of which foreclosures being shown in Exhibit VIII, pages 5-9; nor does it list the pleadings, etc. in the miscellaneous cases set out in Exhibit XV; all of which are too voluminous to collate.

LXXVIII.

That in the administration of the complicated affairs of this estate and in connection with the handling and disposition of properties, pursuant to the provisions of the United States Code aforementioned, which entailed a tremendous volume of work, your petitioner was aided by the work of faithful and competent assistants in the office, and the counsel and assistance of Thomas W. Nealon, John L. Gust and E. G. Monaghan, his solicitors and attorneys, who were appointed by the Judge of this Court then in charge of the case, the orders thereon being matters of record in this court; that said solicitors and attorneys rendered satisfactory service and diligently labored for the benefit of the receivership estate; that no payments have been made to said solicitors and attorneys for your petitioner other than the respective drawing accounts

provided for in the orders of this Court at the time of their appointment; that said attorneys advise your petitioner that they will respectively file their separate petitions with this Court asking for an allowance of fees from the receivership estate for the services that have been rendered [89] to your petitioner as said Receiver, and your petitioner requests upon their filing their respective petitions with this Court that proper allowance be made to each of them for the services each has rendered for the benefit of the estate.

LXXIX.

That at the time your petitioner was appointed receiver pendente lite, no compensation was fixed for his services as such receiver or for acting as has own attorney and solicitor, and he was advised by the Judge of the Court then presiding that his services in both capacities would be compensated for as a part of his fee as receiver when his services were terminated; that he has received no advances or compensation on account during the time that he served as receiver pendente lite or for acting as his own attorney and solicitor during said time, except as provided in the order of January 28, 1936, at which time he was directed to pay to himself on account of fee to be eventually ascertained and fixed by this court the sum of \$500.00 per month beginning November 11, 1935.

That your petitioner was appointed permanent receiver on the 8th day of February, 1936, and that no fee was fixed at said time to compensate him

for said services, and that he has received no advances or compensation on account during the time he served as said permanent receiver except the sum of \$500.00 per month, which he was directed by the order of January 28, 1926, to pay to himself on account of fee to be eventually ascertained and fixed by this Court.

That the total sum received by your petitioner on account of fees to be fixed by this Court as receiver pendente lite and for acting as his own attorney and solicitor, and as permanent receiver, is the sum of \$8,333.32.

That your petitioner-served as co-ancillary receiver pendente lite in the proceedings in Wyoming, for which no [90] compensation was fixed by the court, it being stipulated that your petitioner's compensation would be fixed by this Court as the Court of Primary jurisdiction.

That your petitioner was appointed and has served as co-ancillary receiver in the State of Idaho and is still serving in that capacity, with directions to close said ancillary receivership in Idaho as of September 1, 1937; that no fee or compensation was fixed or has been received to compensate your petitioner for his services, it being understood that he would be compensated as his fee fixed by this court as the court of primary jurisdiction.

That during all of said time your petitioner has utilized in behalf of the receivership estate his own law offices and library, and during the period between April 20, 1934, and November 30th, 1935, he utilized the services of his office stenographer.

Wherefore your petitioner prays that this final report and account and his conduct in the premises be approved and allowed; that this Honorable Court fix an equitable and reasonable fee as compensation for the services of your petitioner in the premises; that a lien upon the assets of the defendant corporation be established in favor of your petitioner for such compensation as may be determined by this Honorable Court; that an order be made directing the Receiver of said defendant corporation to pay such sum as may be fixed by this Honorable Court to him for such fee and compensation for said services after deducting therefrom the amounts paid to him on account which were made pursuant to the order of this Court; that he be discharged from further duty in the premises and his bond as such Receiver be exonerated;

That this court fix a date for a hearing on said final report and application for compensation and discharge and exoneration of bond, and that due notice of the filing of this [91] final report and application for such compensation and discharge and exoneration of bond be given in the form and manner fixed by this Court and in accordance with equity practice; that upon the hearing thereof, such report be approved and such allowance for services rendered by petitioner to the receivership estate as the Court may deem equitable and reasonable in the premises be made and declared a lien upon the receivership estate and ordered paid by the receiver of said estate, and that he be discharged and his bond exonerated.

For such other and further orders and relief as to the Court may seem meet and proper in the premises.

HENRY S. McCLUSKEY

Petitioner. [92]

State of Arizona,

County of Maricopa—ss.

Henry S. McCluskey being first duly sworn on oath deposes and says: That he is the petitioner above named; that he has read the above and foregoing account and report and petition, knows the contents thereof, and that the same is true, to the best of his knowledge, information and belief.

HENRY S. McCLUSKEY

Subscribed and Sworn to before me this 2nd day of September, 1937.

(Seal)

THOMAS W. NEALON

Notary Public

My Commission Expires: Sept. 9, 1937. [93]

EXHIBIT No. I.

ASSETS IN ARIZONA

	Ledger Bal. Apr. 1, 1937	Deductions for possible losses
Cash, bonds, warrants, accrued interest	\$233,346.10	
Real estate loans, active.....	96,860.44	\$ 210.57
Real estate loans foreclosed subject to redemption	201,943.97 (25%)	50,485.99
Real estate loans foreclosed, suits pending	42,242.67 (20%)	8,448.53
Real estate loans, H.O.L.C. salvage	5,019.62	1,019.62
Real estate owned	300,627.74 (20%)	60,125.55
Real estate sold on conditional sale contracts	17,729.61	
Judgment in tax suit.....	68.72	
Judgment in Foerst suit.....	121.05	
Funds representing unclaimed checks	267.86	
Choses in action considered good	50,516.27	
Property in Nebraska carried as Arizona asset	10,820.33 (40%)	4,328.13
Promissory notes secured by certificates	324,700.83	
Promissory notes secured by mortgages on real property situated outside of Arizona, the physical possession of the notes coming to petitioner on Nov. 30, 1935	286,635.32 (40%)	114,654.13
Accounts Receivable, Canada....	15,000.00	
Furniture and Fixtures	11,941.36 (75%)	8,956.02
	<hr/> \$ 1,597,841.89	<hr/> \$248,228.54

Assets per ledger balance of Apr. 1, 1937.....\$ 1,597,841.89

Deductions for possible losses 248,228.54

\$ 1,349,613.35

EXHIBIT No. II.

ASSETS IN STATES OTHER THAN ARIZONA

	Ledger Bal. Nov. 30/35	Deductions for possible losses
Cash and bonds	\$225,833.87	
Real estate loans (mortgages)....	243,849.09 (40%)	\$ 97,539.64
Conditional sales contracts.....	67,034.58 (40%)	26,813.83
Real estate owned.....	594,449.85 (40%)	237,779.94
Furniture and fixtures.....	4,061.95 (75%)	3,046.46
	<hr/>	<hr/>
	\$ 1,135,229.34	\$365,179.87
Assets per ledger balance November 30, 1935.....	\$ 1,135,229.34	
Deductions for possible losses		365,179.87
		<hr/>
		\$ 770,049.47
		[95]

EXHIBIT No. III.

DISBURSEMENTS FOR REPAIRS & IMPROVEMENTS

Real Estate Loans—11-30-35 to 4-1-37—Arizona

REL No.	Name of Property	Location	Amount
378	Munoz Property	Nogales	\$ 16.33
401	Rollins Property	Mesa	63.61
608	Cohen Property	Miami	110.09
1006	Green Property	Chandler	21.21
1052	Ham Property	Somerton	11.30
1053	Ham Property	Somerton	33.05
1363	Phillip Property	Chandler	5.00
1436	Templeton Property	Casa Grande	12.20
1462	Breehan Property	Tempe	15.98
1467	Hammels Property	Glendale	65.50
1485	Jones Property	Glendale	14.00
1538	Hall Property	Phoenix	69.03
1611	Rateliff Property	Phoenix	99.50
1668	Tuttle Property	Somerton	17.65
1682	Kuhne Property	Phoenix	21.69
1698	Nelson Property	Phoenix	209.17

Disbursements for Repairs and Improvements—Real Estate
Loans—11-30-35 to 4-1-37—Arizona—(Continued)

REL No.	Name of Property	Location	Amount
1700	Nelson Property	Phoenix	29.00
1715	Shumway Property	Mesa	7.66
1740	Edmondson Property	Phoenix	11.51
1771	Garcia Property	Phoenix	58.50
1772	Mitchel Property	Phoenix	60.64
1799	Owens Property 1/2	Mesa	4.02
1854	LeBaron Property	Phoenix	68.87
2109	Carlson Property	Phoenix	28.84
2131	Pinson Property	Phoenix	43.27
2153	Spain Property	Welton	81.00

[96]

2714	Davis Property	Phoenix	\$ 175.87
2180	Davis Property	Phoenix	68.28
2205	Davis Property	Phoenix	90.06
2276	Lockhart Property	Phoenix	285.00
2282	Greenlee Property	Phoenix	72.76
2285	Moser Property	Phoenix	69.99
2287	Hutson Property	Flagstaff	1,478.57
2301	Greenlee Property	Phoenix	43.50
2333	Beneficial Inv. Co.	Phoenix	288.71

Total Disbursements for Repairs and Improvements
on Real Estate Loans in Arizona.....\$3,751.36

[97]

DISBURSEMENTS FOR REPAIRS & IMPROVEMENTS

Real Estate Owned—Arizona—11-30-35 to 4-1-37

REO No.	Name of Property	Location	Amount
40	Peterson Property	Mesa	\$ 5.36
120	Phx. Land & Inv. Co.	Phoenix	3.59
125	Williams Property	Somerton	29.40
126	Williams Property	Somerton	4.69
127	Williams Property	Somerton	8.59
128	Williams Property	Somerton	3.00

Disbursements for Repairs & Improvements—Real Estate
Owned—Arizona—11-30-35 to 4-1-37—(Continued)

REO. No.	Name of Property	Location	Amount
131	Martin Property	Somerton	21.96
132	Crider Property	Casa Grande	6.53
133	Hamilton Property	Casa Grande	222.86
142	Horwath Property	Phoenix	30.77
153	Peterson Property	Chandler	81.07
176	Harvey Property	Mesa	64.22
180	Ratcliff Property	Casa Grande	29.53
181	Stanton Property	Inspiration	8.61
182	Shoemaker Property	Miami	2.00
183	Wolfe Property	Phoenix	13.37
185	Hatch Property	Taylor	83.64
187	Lang Property	Chandler	52.53
190	Morrell Property	Phoenix	285.17
191	Belbaze Property	Phoenix	257.13
192	Parrish Property	Phoenix	86.06
193	Weston Property	Phoenix	93.07
194	Bohannon Property	Phoenix	37.51
195	Taylor Property	Phoenix	61.72
196	Burnett Property	Chandler	5.75
197	McElrath Inv. Co. Propt.	Phoenix	26.19
199	Erpenbach Property	Phoenix	54.93

[98]

200	Caldwell Property	Phoenix	\$ 57.91
201	Chambers Property	Phoenix	125.89
202	Chambers Property	Phoenix	23.00
203	Chambers Property	Phoenix	131.26
205	Arnold Property	Yuma	8.50
292	Smith Property	Phoenix	4.50
305	Schofield Property	Yuma	9.45
308	Mahoney Property	Phoenix	5.00
312	Binion Property	Chandler	11.75
314	Hillman Property	Phoenix	32.65
316	Rogers Property	Phoenix	52.31
317	Schultz Property	Phoenix	79.00
325	Anderson Property	Chandler	50.65
331	Beals Property	Phoenix	494.57
333	Greer Property	Phoenix	194.70
335	Fram Property	Glendale	54.00
338	Flake Property	Phoenix	18.50
339	Flake Property	Phoenix	58.61

Disbursements for Repairs & Improvements—Real Estate
Owned—Arizona—11-30-35 to 4-1-37—(Continued)

REO No.	Name of Property	Location	Amount
340	Anderson Property	Chandler	24.46
345	Larsen Property	Phoenix	102.15
347	Phx. Land & Inv. Co.	Phoenix	460.00
349	McDonald Property	Tucson	1.00
350	Field Property	Nogales	337.30
353	Fordham Property	Casa Grande	20.50
354	Taylor Property	Phoenix	64.42
355	Nelson Property	Phoenix	12.09
356	Tempe—Lukin Property	Tempe	5.42
357	Cambridge Property	Phoenix	132.50

[99]

358	Riggins Property	Phoenix	122.18
359	Rohe Property	Winslow	14.50
360	Merrifield Property	Winslow	32.63
361	Jett Property	Phoenix	65.28
362	Mytinger Property	Tucson	25.45
363	Reece Property	Chandler	25.50
364	Jones Property	Glendale	47.50
365	Tuttle Property	Somerton	2.50
367	Welch Property	Phoenix	9.00

Total Cost Repairs, Maintenance, Improvements on

Real Estate owned\$4,495.88

DISBURSEMENTS FOR REPAIRS & IMPROVEMENTS

Real Estate Subject to Redemption—Arizona

11-30-35 to 4-1-37

RESR No.	Name of Property	Location	Amount
1462	Breehen Property	Tempe	\$ 77
1538	Hall Property	Phoenix	25.05
1590	Stephensen Property	Phoenix	56.00
1682	Kuhne Property	Phoenix	40.75
1698	Nelson Property	Phoenix	31.65
1700	Nelson Property	Phoenix	37.04
1740	Edmondsen Property	Phoenix	2.50
1772	Mitchell Property	Phoenix	7.16
1854	LeBaron Property	Phoenix	3.50

Disbursements for Repairs and Improvements—Real Estate
Subject to Redemption—Arizona—11-30-35 to 4-1-37—
(Continued)

RESR No.	Name of Property	Location	Amount
2153	Spain Property	Wellton	49.47
2174	Davis Property	Phoenix	17.04
2180	Davis Property	Phoenix	34.44
2205	Davis Property	Phoenix	28.53
2287	Hutson Property	Flagstaff	70.68
2288	Hutson Property	Flagstaff	37.41

Total Disbursements for Repairs & Improvements on
R.E.S.R. Arizona\$ 441.99

Resume:

Total Disbursements	REL	\$3,751.36
"	" REO	4,495.88
"	" RESR.....	441.99
		<hr/>
		\$8,689.23

[101]

EXHIBIT No. IV

H. S. McCluskey, Receiver
Intermountain Building & Loan Association
A Corporation of Utah
313 Luhrs Building
Phoenix, Arizona

To the Certificate-Holders:

Numerous letters asking for a statement of the progress which is being made in the liquidation of the affairs of the Intermountain Building and Loan Association have been received. In order to respond to your letter, as well as others, as economically as possible, this answers the questions, propounded in your letter, as well as some that have been asked by other creditors.

Exhibit No. IV.—(Continued)

The United States District Court for the District of Arizona entered its decree on the 6th day of January, 1937, confirming the appointment of the undersigned as Receiver. As soon as the mechanics of the situation will permit, I propose to file a report in the United States District Court setting forth in detail the progress of the administration to date.

Ancillary receivers have been appointed in all states concerned except California and Oregon, where litigation is still pending and undetermined.

In Arizona, either we have been collecting the balance due on mortgages or foreclosing the same. In all cases where it has been at all possible, we have secured rental assignments of the property where the mortgages are in default. We have rehabilitated the properties, wherever necessary, and practically all of the same are now rented and occupied. We have redeemed practically all the properties which were sold for taxes. We have also sold and disposed of a number of properties and are selling others on contract and will dispose of the remainder as rapidly as possible.

It is impossible to fix any date upon which a dividend may be paid for several reasons, among which are: first, the litigation pending in California and Oregon, which must first be disposed of before the relative rights of claimants may be determined; second, the fact that less than 50% of the certificate holders have filed their claims, partly due to the aforesaid undetermined litigation; third; the time

Exhibit No. IV.—(Continued)

required by the court to determine the rights of certificate holders after the time for filing same has expired; fourth, the further time required to secure purchasers for the property owned by the Association.

If this letter contains a blank claim it is evidence of the fact that our records indicate that you are one of the certificate holders who has not yet filed a claim in Arizona, and you should return your claim supported by your passbook and certificate on or before February 22, 1937, which is the final date claims may be filed, unless the court shall extend the time. If you have filed your claim in another state, show this on your claim.

Very truly yours,

H. S. McCLUSKEY,

Receiver, Intermountain Building and Loan Association (Utah) [102]

Re: Certificate No.

In response to your recent inquiry, it is imperative that you file a claim with the undersigned as Receiver of this Association if you are to participate in the assets of the Association in the possession (or which may come into the possession) of the undersigned as Receiver of the above Association.

It is imperative that you attach your Certificate and Pass Book to the claim. If your Certificate and Pass Book are filed with the Receiver in Wyoming, or the Building and Loan Commissioner in Cali-

Exhibit No. IV.—(Continued)

fornia, or on file in this office as security for a loan or withdrawal, state the facts on your claim, and it will be a matter for the Receivers to work out the details with their respective Courts. If your Certificate or Pass Book is lost, make affidavit setting out fully all of the facts and information concerning the same.

It is impossible to fix any date on which dividends may be paid. Litigation pending in California, Oregon and Wyoming must first be determined, and a Court of competent jurisdiction must determine the relative rights of the several classes of certificate holders.

We are also unable to fix any value the claims may have and know of no market value.

Enclosed is another form for making claim in the event you have mislaid your other one, and such other additional information as we have which may be of aid to you in the premises.

Very truly yours,

H. S. McCLUSKEY,

Receiver for Intermountain
Bldg. & Loan Ass'n (of
Utah)

HWM:McG

Encl. [103]

Exhibit No. IV.—(Continued)

I am the duly appointed, qualified and acting Receiver of the Intermountain Building and Loan Association, an Utah Corporation, having been so appointed by the United States District Court for Arizona on the 20th day of April 1934, which order, upon appeal, was duly affirmed.

Among the assets in my possession as such Receiver is a promissory note signed by you, which is secured by a real estate mortgage.

This is to notify you that payments upon said note are to be paid to me as Receiver of the Intermountain Building and Loan Association, at my office No. 313 Luhrs Building, Phoenix, Arizona.

My attorneys advise me that payments to anyone else would be ineffectual and would not relieve you from liability for the payments as I am the Receiver for said corporation. Therefore, I am notifying you that I am the only proper person to whom the payments should be made.

Please acknowledge receipt of this letter.

Yours very truly,

.....

Receiver of Intermountain Building and Loan Association, an Utah corporation.

REG:RRR [104]

In the Matter of the Estate of
Intermountain Building and Loan Ass'n
An Utah Corporation, Insolvent

In response to your letter of inquiry, according to the corporation's record of your account as

Exhibit No. IV.—(Continued)

turned over to me you are entitled to file a claim in the amounts, and for the class of certificates shown below:

	Number of Pass Book or Certificate	Amount Paid In.
Installment Accumulative Certificate		
Installment Accumulative Certificate		
Installment Accumulative Certificate		
Coupon Certificate		
Fully Paid Certificate		
Pass Book Savings Certificate		
Extra Deposits		
Other Claims (not listed above)		
Total.....		\$.....

This information is given to you without prejudice as to the rights of the receiver to correct the same when the account is audited.

Please Return This Form With Your Claim and Certificate, or other evidence of indebtedness.

(Please do not write below this line)

313 Luhrs Building,
Phoenix,
Arizona.

HENRY S. McCLUSKEY,

Receiver of Intermountain Building and Loan Association, an Utah corporation, Insolvent.

By

Date.....

Exhibit No. IV.—(Continued)

Dear

Re: Certificate No.

In answer to your letter I wish to advise that it is not yet possible to forward claim blanks in order that you may file claim for dividends on your certificate. On account of the Association operating in several states, it will be necessary to get judicial determination as to the relative rights of the various types of certificates outstanding, and also as to their relative rights in the respective states in which the certificates were sold.

There will be no definite information available in this connection until all these matters have been adjudicated, at which time each certificate holder will be properly advised.

Some questions have arisen in connection with the possibility of transferring the value of certificates on real estate loans or the purchase of real estate owned by the Association, however, judicial determination has not yet been received. It appears this procedure may not be approved by the Court on account of the preference that would be shown to the individual certificate holder over others similarly situated.

It is impossible at this time to give you an estimate of the amount of dividends which will be paid on account of various conditions affecting liquidation in the respective states.

Until you hear further, it will not be necessary

Exhibit No. IV.—(Continued)

to write in, unless you so desire, as all information will be sent you when available.

Yours very truly,

H. S. McCLUSKEY

Receiver, Intermountain Building and Loan Association (of Utah) [106]

Dear Certificate Holder

Re: Certificate No.

In answer to your letter wish to advise that it is not yet possible to forward claim blanks in order that you may file claim for dividends on your certificate. On account of the Association operating in several states, it will be necessary to get judicial determination as to the relative rights of the various types of certificates outstanding, and also as to their relative rights in the respective states in which the certificates were sold.

There will be no definite information available in this connection until all these matters have been adjudicated, at which time each certificate holder will be properly advised.

Some questions have arisen in connection with the possibility of transferring the value of certificates on real estate loans or the purchase of real estate owned by the association, however, judicial determination has not yet been received. It appears this procedure may not be approved by the Court on account of the preference that would be shown to the individual certificate holder over others similarly situated.

Exhibit No. IV.—(Continued)

It is impossible at this time to give you an estimate of the amount of dividends which will be paid on account of various conditions affecting liquidation in the respective states.

Until you hear further it will not be necessary to write in, unless you so desire, as all information will be sent you when available.

Very truly yours,

.....
H. S. McCLUSKEY

.....
G. A. MAUK

H. S. McCluskey & G. A. Mauk. Co-Receivers of
Intermountain Building and Loan Association
(of Utah) [107]

I was appointed Receiver of the Intermountain Building and Loan Association, a Utah Corporation, April 20th, 1934. The appointment was affirmed by the United States Circuit Court of Appeals of the 9th District at San Francisco, and Certiorari was denied by the United States Supreme Court. The Mandate of the United States Supreme Court and of the United States Circuit Court of Appeals was spread upon the minutes of the District Court of Arizona, on December 2, 1935, and I have now taken over the affairs of this Association in Arizona. An order to show cause why the Receivership should not be made permanent has been entered and hearing thereon set for January 6, 1936, in the United States District Court of Arizona.

In checking over the records in this office, I find

Exhibit No. IV.—(Continued)

that you are the mortgagor of a piece of property upon which we hold a promissory note and mortgage, and that the same is in default.

It is our promise to liquidate this trust as soon as possible. Your default places you in the position of having the mortgage on this property foreclosed. May I not suggest that you give this matter your immediate attention and advise what you propose to do with reference to this account.

In this connection, if you have previously filed a Home Owners' Loan Corporation application, it would be advisable to file a supplemental application. In this connection I have retained the services of one of the former officers of the Home Owners' Loan Corporation to aid in preparing the necessary papers, forms, etc., and would suggest that you contact him at the office of the Receiver at 313 Luhrs Building, Phoenix, Arizona.

Very truly yours,

H. S. McCLUSKEY,

Receiver for Intermountain
Bldg. & Loan Assn. of Utah

McG:McG [108]

Dear Sir or Madam:

Enclosed please find copy of order made by the United States District Court in and for the District of Arizona fixing the time within which claims must be filed against the Intermountain Building & Loan Association, an Utah corporation, and limiting the time for filing to November 22, 1936.

Exhibit No. IV.—(Continued)

We are also enclosing a form of claim for your convenience. This should be filled out according to the instructions contained on the back of the claim. Your investment certificate and pass book must be attached thereto and the claim sworn to before a Notary Public or some other officer duly authorized to administer oaths. The claim must be mailed to or filed with Mr. Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, 313 Luhrs Building, Phoenix, Arizona.

The instructions contained on the back of the claim are intended to aid you in the preparation of your claim, as the proper filling out of all claims is absolutely necessary to protect you and other bona fide holders from being defrauded by means of spurious and false claims.

If the claim is in proper form and filed, the same will be allowed for the proper amount. In case of a rejection of any claim, the claimant will be notified of the rejection, and the question of the allowance will then be determined by the Judge of the United States District Court, in and for the Federal District of Arizona.

This claim should be in the hands of the Receiver before the 22nd day of November, 1936, in order that the same might be allowed, and this is

Exhibit No. IV.—(Continued)

necessary before any payments can be made to any claimant.

Very truly yours,

HENRY S. McCLUSKEY,

Receiver of Intermountain Building & Loan Association, an Utah corporation. 313 Luhrs Building, Phoenix, Arizona. [109]

February 27, 1936.

Re:

Dear Mr.:

The undersigned have been duly appointed as Co-Receivers of the Intermountain Building and Loan Association, and are now in a position to, and must, liquidate the assets of the above mentioned Association. Among the list of assets is the property in which you are now residing, and since the property is for sale, we would like to give you an opportunity to offer to purchase the same if you so desire. The offer must be cash, or at least a substantial cash payment and short term contract.

It is not the purpose of this letter to convey the idea to you that you must vacate the premises, but to advise that we are in a position to give your offer full consideration, should you desire to make an offer to purchase the property.

Kindly address your offers to Receivers, Intermountain Bldg. and Loan Association, attention

Exhibit No. IV.—(Continued)

Mr. Haskell Welch, 313 Luhrs Building, Phoenix,
Arizona.

Very truly yours,

H. S. McCLUSKEY &

G. A. MAUK,

Co-Receiver, Intermountain Bldg. & Loan Assn.
(of Utah)

.....

H. S. McCLUSKEY

.....

G. A. MAUK

HW:MW [110]

December 2nd, 1935

To the Creditors of the Intermountain Building
and Loan Association:

The decision of Judge Jacobs of the United States District Court for Arizona appointing me as Receiver for the assets of the Intermountain Building and Loan Association in Arizona has been confirmed by the Circuit Court of Appeals and the Writ of Certiorari denied by the United States Supreme Court.

On Monday, November 26, 1935, I began taking over physical possession of the assets of the Intermountain Building and Loan Association in Arizona, from the Utah Bank Commissioner. It will probably be several days before the transfer is complete.

I had a long discussion of the entire matter of

Exhibit No. IV.—(Continued)

this trust with Judge Jacobs on Tuesday of this week and in order to expedite the administration of the trust and to effect, if possible, harmonious relations in the administration of the trust with those in charge of the properties in the several states he has authorized me to visit the several states in which the association owns property or has assets.

I expect to begin this trip within the course of the next ten days and hope to be able by the first of January to begin converting a portion of the assets through the agency of the Home Owners' Loan Corporation.

It is impossible to give any estimate of the value of this estate at this time. It will be necessary to appraise the properties owned by the association and upon which the association holds mortgages. It is safe to say, however, that the actual value of the properties will in the aggregate prove to be substantially less than the book values.

It is my hope that I shall be able, as a result of a trip to the several states, to effect agreements which will facilitate the rapid liquidation of this trust and at considerably less expense, so that we may put it in shape to pay dividends at the earliest possible date.

It is my understanding that there are a number of different classes of certificates outstanding which contain different provisions and it will be necessary to determine the relative rights of the several

Exhibit No. IV.—(Continued)

classes of certificates in and to the assets of the association. [111]

With reference to the rights of the holders of the different classes of certificates in and to the assets of the association I understand that it makes no difference where the holder of that class of certificate resides, whether it be in Utah, Oregon or Arizona or any other state. The rights of the Arizona certificate holder in a given class will be equal with that of a certificate holder in Utah, Oregon and any other state and the rights of the Oregon certificate holder of the same class will be equal with that of the certificate holder in Arizona, and that all certificate holders of a given class have an equal claim upon all of the property owned by the association, no matter where situated.

There may be one possible exception to the statements in the above paragraph which will have to be determined as a matter of law. That is the matter concerning a certain class of certificates in the State of California. Otherwise, from such information as I now have available, it would seem that equity indicates that the assets of this association should be distributed equally among all of the creditors of the association wherever situated according to the relative standing of the several classes of the certificates.

It is with this end in view that I propose to solicit the cooperation of those in charge of the property in other states with a view of limiting litiga-

Exhibit No. IV.—(Continued)

tion to a minimum and reducing the assets of this trust to cash as soon as possible.

There are a great many letters on file from certificate holders from all sections of the country asking numerous questions as to the status of this trust. If we undertake to answer all of the letters separately it will consume a great deal of time which can more profitably be devoted to the administration of the trust.

I expect, as soon as I can get the matter of liquidating the properties upon which applications to the Home Owners' Loan Corporation have been made taken care of, to give my attention to calling for the filing of claims and the determination of the relative standing of the several classes of certificates.

In order that I may be protected from paying claims based upon forged or stolen certificates I shall probably require proof of a certain nature to be filed, the nature of this proof having not yet been determined.

If you are one of the creditors who have written me concerning this matter I trust that you will accept this letter as response to your communication and that you will excuse the failure to answer your letter separately.

Yours very truly,

H. S. McCLUSKEY,

Receiver For Intermountain
Building and Loan Ass'n.



EXHIBIT No. V.

REAL ESTATE LOANS AND REAL ESTATE OWNED
REFINANCED THROUGH HOME OWNERS LOAN CORPORATION

On the following loans refinanced through H. O. L. C., the full value of the securities as determined by appraisals made by officers of H. O. L. C. was obtained, and there was no book loss thereon:

Loan No.	Name	Principal & Advances	Cash & Bonds from H.O.L.C.	Salvage from Mortgagors Cash	Notes, etc.
708	Wheelahan	375.87	\$ 436.28		
742	Smith	362.23	396.09		
1057	Fairall	377.81	420.79		
1082	Woods	1,549.77	1,324.07	\$ 100.00	\$ 270.00
1219	Morales	1,501.71	1,532.99		
1274	Stines	977.60	1,237.53		37.14
1286	Cage	2,047.56	2,287.55		
1334	Strawbridge	1,266.78	1,532.95		
1417	Rhoades	397.17	438.31		
1423	Pettit	1,179.80	1,276.86		
1446	Moore	857.61	853.92	30.95	64.95
1500	Ball	810.91	937.18	21.75	
1510	Renfro	888.21	940.87		
1647	Huff	269.28	305.43		
2145	McLean	1,732.46	1,900.89		
2146	Beasley	1,734.61	1,911.63		
2172	Kelsey	2,881.05	2,998.40		
2234	Flower	757.17	782.05		173.97
2250	McCutcheon	1,592.84	1,134.87		520.00
2328	Kelly	978.28	1,147.42		
		<hr/>	<hr/>	<hr/>	<hr/>
		\$22,538.72	\$23,796.08	\$ 152.70	\$1,066.06
					152.70
				<hr/>	<hr/>
				Salvage.....	\$1,218.76



On the following loans and real estate owned refinanced through H. O. L. C., the full value of the securities as determined by appraisals made by officers of H. O. L. C. was obtained, but a book loss thereon is shown :

LOANS

Loan No.	Name	Book Balance*	Cash & Bonds from H.O.L.C.	Salvage from Mortgagors Cash	Salvage from Mortgagors Notes, etc.	Book Loss On Realiza- tion
748	Messer	\$ 778.20	\$ 661.44		\$ 101.90	\$ 14.86
1058	Ollason	3,356.07	518.02	\$ 125.00	775.00	1,938.05
1159	Mason	1,717.08	1,338.83		200.00	178.25
1579	Hagan	1,465.53	1,012.11			453.42
1586	Dobbins	371.99	171.79			200.20
1665	Palmer	1,468.19	846.99			621.20
1861	Brock	1,221.02	918.85		200.00	102.17
1871	Burquez	2,197.16	847.77		420.00	929.39
1914	Cormack	1,566.38	940.48			625.90
2160	Cress	7,689.65	4,039.78			3,649.87
2169	Schewel	3,007.89	1,532.41		580.00	895.48
2206	Fischer	3,449.74	1,399.63			2,050.11
2214	Ingram	2,259.71	1,940.28		100.00	219.43
2221	Stone	2,239.07	2,053.92			185.15
2272	Deal	2,563.27	1,699.73		250.00	613.54
2292	Stanley	2,281.97	1,922.48		250.00	109.49
2283	Tamm	7,064.54	3,348.40	300.00	250.00	3,166.14
2300	Condron	6,655.23	4,587.25		900.00	1,167.98
2304	Campbell	2,825.96	1,885.78		274.22	665.96
2312	Lucas	1,778.98	1,358.98		370.00	50.00
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		\$55,957.63	\$33,024.92	\$ 425.00	\$4,671.12 425.00	\$17,836.59
					<hr/>	
					Salvage.....	\$5,096.12

REAL ESTATE OWNED

360	Merrifield	\$ 3,973.84	\$ 2,897.57			1,076.27
341	Adams	939.23	800.00		131.00	8.23
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		\$60,870.70	\$36,722.49		\$5,227.12	\$18,921.09

* These figures include rents and interests collected, interest adjudications made, clerk's fees on court deposits, etc.



EXHIBIT V.—(Continued)

The following assigned certificates were taken as additional salvage on above loans:

Loan No.	Name	Cert. No.	Company Issuing	Amt. of Claim	Amt. Rec'd at Time of Closing Loans	Amt. Rec'd Subsequent to Closing Loans
1058	Ollason	A-2674	Intermountain Bldg. & Loan Ass'n of Arizona.....	\$ 334.68*	\$ 107.10	\$ 16.72
1446	Moore	A-3778	Intermountain Bldg. & Loan Ass'n of Arizona.....	96.77		4.84
1082	Woods	A-2757	Intermountain Bldg. & Loan Ass'n of Arizona.....	628.01*		
2172	Kelsey	A-13707	First Nat'l Bldg. & Loan Ass'n	477.31	186.18	19.09
		A-17271	Intermountain Bldg. & Loan Ass'n of Utah	107.28		
REO 360	Merrifield	05-18999	Intermountain Bldg. & Loan Ass'n of Utah	500.50*		
2169	Schewel	05-18930				
				<hr/>	<hr/>	<hr/>
				\$2,144.55	\$ 293.28	\$ 40.65

* Dividends from these certificates to be applied to payment of notes and second mortgages.

RESUME

Cash and Bonds from H.O.L.C. on REL's showing no book loss.....	\$23,796.08	
Cash and Bonds from H.O.L.C. on REL's showing book loss.....	33,024.92	
	<hr/>	
	\$56,821.00	
Cash and Bonds from H.O.L.C. on REO's	3,697.57	
	<hr/>	
Total cash and bonds.....		\$60,518.57
Salvage from Mortgagors on REL's showing no book loss.....	1,218.76	
Salvage from Mortgagors on REL's showing book loss.....	5,096.12	
	<hr/>	
	6,314.88	
Salvage from Mortgagors on REO's.....	131.00	
	<hr/>	
Total Salvage		\$ 6,445.88
Amount received on Certificates taken as additional salvage at time of consummation of settlement with H.O.L.C.....		293.28
		<hr/>
Total Salvage		6,739.16
		<hr/>
		\$67,257.73
Additional amount received subsequent to consummation of settlements with H.O.L.C.		40.65
		<hr/>
		\$67,298.38



AMOUNTS PAID ON SALVAGE NOTES TAKEN

Loan No.	Name	Amounts Received on Salvage Notes
748	Messer	\$ 15.00
1058	Ollason	140.00
1082	Woods	121.40
1159	Mason	60.00
1274	Stines	5.00
1871	Burquez	5.00
2169	Schewell	14.00
2214	Ingraham	14.00
2234	Flower	61.04
2250	McCutcheon	40.00
2272	Deal	50.00
2283	Tamm	75.00
2292	Stanley	40.00
2304	Condron	270.00
2312	Campbell	10.00
		<hr/>
		\$ 920.44
REO341	Adams	44.61
		<hr/>
		\$ 965.05

[116]

EXHIBIT No. VI.

ITEMIZATION ON LOANS PAID IN FULL

Nov. 30, 1935 to Mar. 31, 1937

Loan No.	Name	Book Balance 11-30-35	Adjustment Refigure	Amount Received
318	Clara Priest	\$ 449.67	\$ None	\$ 472.80
359	F. Ellsworth & Sons	739.41	79.36	834.17
653	Joseph E. Hood	107.56	103.48	31.90
667	Elmer C. Schneider	685.94	113.76	572.18
699	Florence B. Cramer	272.42	None	275.78
755	Pauline Kelsey	118.60	None	118.60
813	Helen M. Cole	368.65	107.30	261.35
842	Mary E. Elkins	1,831.49	146.34	2,013.40
957	H. P. Rogers	299.67	33.92	279.25
1007	Dr. K. M. Gilbert	651.09	32.20	645.01

Itemization on Loans Paid in Full—(Continued)

Loan No.	Name	Book Balance 11-30-35	Adjustment Refigure	Amount Received
1013	J. E. Tresnon	773.32	155.16	669.46
1109	Claude B. Harrison	122.82	150.89*	79.65
1175	Gilbert H. Wheelock	573.06	75.85	523.37
1259	M. Emily Evans	1,888.61	173.82	2,014.67
1386	Maude E. Service	254.09	4.85	268.37
1386	A. E. Dickason	207.88	52.12	182.97
1413	Dan Medigovich	218.59	83.00	152.02
1468	Louis & Grace Ipharr	82.71	75.52	59.00
1632	E. S. Westover	643.41	73.54	630.00
1706	Miami Free Public Library	223.12	35.42	201.62
1712	Frances J. Fischer	327.04	68.85	262.97
1727	Harry Carter	2,621.99	226.09	2,598.79
1885	Culp Brothers	725.44	82.17	708.04
2171	Horace L. Kincaid	439.28	None	453.96
2296	Lucy V. Spencer	338.08	11.85	334.72
		<hr/>	<hr/>	<hr/>
		\$14,963.94	\$1,886.49	\$14,644.05
Improper charges		1,886.49		
		<hr/>		
Actual Value 11/30				
/35.....		\$13,077.45		

* On this account there was a refund due to excessive interest paid.

[117]

EXHIBIT No. VII.

REAL ESTATE LOANS COMPROMISED

The following loans compromised were settled without showing a book loss:

REL No.	Name	Principal Due	Amount Received
2168	Garrett	\$ 4,932.57	\$ 5,000.00
2188	Price	1,741.07	1,950.00
2313	Corroneous	5,696.39	6,000.00
1170	Wilson	980.48	1,000.00
		<hr/>	<hr/>
		\$13,350.51	\$13,950.00

The following loans compromised showed a book loss:

REL No.	Name	Principal Due	Amount Received	Loss on Realization
1051	Cunningham	\$ 757.70	\$ 600.00	\$ 157.70
1054	Carson	784.97	600.00	184.97
2130	Giragi Bros.	7,031.62	4,829.87	2,201.75
2170	Williams	968.20	919.80	48.40
2175	Leonard	6,349.47	3,619.80	2,729.67
		<hr/>	<hr/>	<hr/>
		\$15,891.96	\$10,569.47	\$ 5,322.49
Total amount received....		\$13,950.00		
		10,569.47		
		<hr/>		
		\$24,519.47		

Allowances and adjustments were made on the following loans:

1457	Wm. G. Tisdale	\$ 57.71
2127	Georgia Bly	41.24
		<hr/>
		\$ 98.95

LOANS FOR WHICH DEEDS WERE TAKEN

Loan No.	To REO		Refigure Adj.	Bal. 3/31/37
	No.	Bal. 11/30/35		
1340	Scorse	368	\$ 2,482.68	\$ 1,863.03
1448	Jones	364	1,357.85	1,502.51
1668	Tuttle	365	2,313.53	2,248.07
2302	Reece	363	4,912.62	4,939.25
2109	Carlson	369	4,450.10	4,190.62
		<hr/>	<hr/>	<hr/>
		\$15,516.78	\$ 537.93	\$14,743.48*

* Taxes, insurance and upkeep have in addition to this has been paid.

EXHIBIT No. VIII.

LIST OF FORECLOSURES UPON WHICH SHERIFF'S
CERTIFICATES OF SALE WERE ISSUED FROM
NOV. 30, 1935 TO MAR. 31, 1937

Loan No.	Name	Total Amt. of Bid	Attorney's Fees		Deficiency Judgments
			Included in Judgment		
401	Rollins, Chas.	\$3,114.73	\$ 265.48	\$	.....
608	Cohen, Sam	1,797.44	131.53		1,000.00
711-1073	Darr, J. S.	1,429.68	100.00		100.00
756	Ward, Homer B.	2,185.81	100.00	*	100.00
758	Carter, Bedford	706.04	100.00		100.00
766	Journigan, Julian	2,039.55	143.01		1,000.00
1006	Vest, Robert H.	545.62	50.00		.....
1052-1053	Ham, A. S.	4,041.68	190.00		.....
1271	Lee, Charley	1,410.41	124.09		.....
1363	Caudill, W. S.	778.88	100.00		.....
1436	Templeton, Phebe	2,748.00	175.00		.....
1462	Breehan, Myrtle	3,924.35	354.16	*	100.00
1485	Yoakum, W. E.	4,386.05	250.00		.....
1538	Hall, M. D.	3,410.62	294.38		.....
1590	Stephenson, Blanche B.	2,276.30	201.49	*	500.00
1611	Bailey, L. A.	2,031.51	182.22		.....
1682	Kuhne, Lue Ethel	1,411.66	140.08		149.80
1698	Nelson, George	2,026.31	177.95		.....
1700	Nelson, George	1,134.38	100.00		.....
1708	McClothlin, Edgar	1,362.85	119.56		.....
1740	Edmondson, Marcel	3,146.55	283.27		.....
1771	Nelson, George	1,451.72	127.00		.....
1772	Nelson, George	1,450.35	129.25		.....
1799	Owens, B. S.	2,505.11	217.20		.....
1854	LeBaron, Conway	1,309.67	116.58		.....
1925	Willis, Clarence	1,931.54	125.34		1,000.00
1088	Rea, Dionicio	616.31	100.00		100.00
2131	Pinson, Martin	3,304.30	250.00		.....
[119]					
2153-2154	Spain, Lawrence	36,973.60	1,758.16		.....
2174	Davis, Wright	3,049.40	250.00		.....
2177	Crump, Virginia	17,870.57	500.00		3,170.48
2180	Davis, Wright	3,693.69	333.75		.....
2204	Short, Catharina	7,948.79	700.00		.....

Exhibit No. VIII.—(Continued)

List of Foreclosures Upon Which Sheriff's Certificates of Sale
Were Issued from Nov. 30, 1935 to Mar. 31, 1937—(Con'td)

Loan No.	Name	Attorney's Fees		Deficiency Judgments
		Total Amt. of Bid	Included in Judgment	
2205	Davis, Wright	3,294.02	296.26	-----
2233	McIntire, Clarence	5,724.58	271.27	-----
2285	Moser, M. R.	3,414.40	306.45	-----
2287-2288	Hutson, Grover	13,842.28	1,195.88	1,200.00
2306	Jacobs, Lulu	5,346.66	481.05	1,000.00
2320	Lincoln Mortgage Co.	5,717.53	1,820.00	14,334.43
2333	Beneficial Inv. Co.	8,871.06	790.23	2,965.26
		<hr/>	<hr/>	<hr/>
		\$175,124.00	\$13,350.64	\$26,819.97

Total bid at Sheriff's sale.....\$175,124.00

Deficiency allowed in judgment.... 26,819.97

Total amount of judgment.....\$201,943.97

* Deficiency judgment released in consideration of putting receiver in immediate possession of premises and rents and relinquishing right of redemption by giving quit claim deed.

[120]

April 7, 1936

The following judgments are of record and unsatisfied upon the records of the Superior Court of Maricopa County, State of Arizona:

37149	Staggs Judgment Docket 17, June 29, 1932.....\$	638.80
38680	Cambridge Judgment Docket 18, Aug. 3, 1933	575.39
38770	Payne-Jett Judgment Docket 18, July 13, 1933	253.87
38772	Smith Judgment Docket 18, August 3, 1933....	488.20
35298	Lang Judgment Docket 16, October 13, 1931....	303.59
(affidavit for renewal of this judgment was filed August 7, 1936).		

\$2,259.85

[121]

Exhibit No. VIII.—(Continued)
FORECLOSURE SUIT PENDING AS OF
APRIL 1, 1937

Name	R.E.L. No.	Principal Balance Due Apr. 1, 1937	Amount Prayed for in Foreclosure
Munoz, Eleazar	378	\$ 483.04	\$ 668.99
Holeman, Anna H.	2158	2,918.16	3,852.15
Birkenmeier, Adam	1874	3,423.32	4,961.06
Hales, John G.	2198	1,151.26	1,714.81
Staggs, Clyde Seldon	1467	1,381.43	1,827.04
Greenlee, Dixie (2)	2282-2301	3,121.49	4,797.04
Story, Thomas A.	1160	2,258.02	3,164.49
Williams, John R.	2124	5,059.74	6,987.90
Bettwy, Andrew	1637	2,347.73	3,793.85
Frye, Clara Reuter	727	1,236.93	1,567.18
Farr, Dewey	1212	1,203.17	1,522.62
Ferguson, W. E.	2061	2,229.42	3,071.28
Stines, Chas.	313	871.37	1,046.45
Albert	2289	2,262.70	3,267.81
		<hr/>	<hr/>
		\$29,947.78	\$42,242.67

Note: The amounts prayed for in the judgment include insurance premiums, taxes, principal, cost of foreclosure search, interest and attorney's fees.

[122]

FORECLOSURES FILED IN THE SUPERIOR
COURT OF THE STATE OF ARIZONA

Coconino

Case No. 30996—H. S. McCluskey, versus Hutson, Grover C. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken and later released in consideration of a quit-claim deed from Grover C. Hutson, et ux, to association. Sheriff's deed due April 10, 1937.

Exhibit No. VIII.—(Continued)

Gila County

Case No. 7529-B—H. S. McCluskey versus Birkmeier, Adam et al. Foreclosure complaint filed. Judgment entered. Went to sale but sale was set aside by court. New execution and order of sale to be issued.

Case No. 7537-B—H. S. McCluskey, versus Carter, Bedford. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$100.00. Sheriff's deed due August 20, 1937.

Case No. 7531-B—H. S. McCluskey, versus Cohen, Sam, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$1000.00. Sheriff's deed due August 20, 1937.

Case No. 7672-B—H. S. McCluskey, versus Hales, John G. et al. Foreclosure complaint filed March 24, 1937. Service made on all defendants. Case pending.

Case No. 7566-B—H. S. McCluskey versus Journigan, Julian, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$1000.00. Sheriff's deed due August 20, 1937.

Case No. 7530-B—H. S. McCluskey, versus Rea, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due August 20, 1937.

Exhibit No. VIII.—(Continued)

Case No. 7538-B—H. S. McCluskey, versus Williams, John R. et al. Foreclosure complaint filed. Judgment entered. Went to sale but sale was set aside by court. New execution and order of sale to be issued.

Case No. 7576-B—H. S. McCluskey versus Wills, Emma, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$1000.00. Sheriff's deed due August 20, 1937. [123]

Case No. 7528-B—H. S. McCluskey, versus Strine, Charles, et al. Foreclosure complaint filed. Default of defendants entered. This property sold to Cunningham, who now is making the regular monthly payments on the mortgage through the Valley National Bank. Case pending.

Maricopa County.

Case No. 43554-B—H. S. McCluskey, versus Albert, John H. et al. Case pending.

Case No. 43026-D—H. S. McCluskey, versus Bailey, J. A. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43519-D—H. S. McCluskey, versus Beneficial Investment Company, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due June 30, 1937. Deficiency judgment taken in the sum of \$2965.26.

Exhibit No. VIII.—(Continued)

Case No. 43817-D—H. S. McCluskey, versus Brechan, Myrtle W. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due July 5, 1937. Myrtle W. Brechan has executed and delivered a quit-claim deed waiving right of redemption.

Case No. 43341-D—H. S. McCluskey, versus Carlson, Anton R. et al. Foreclosure complaint filed. Summons issued. Through negotiations with Mr. G. M. Hill we received a warranty deed from Anton R. Carlson and wife, waiving period of redemption, together with bill of sale to personal property.

Case No. 43165-D—H. S. McCluskey, versus Caudill, W. S. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Case No. 43111-A—H. S. McCluskey, versus Crump, Virginia F. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$3,170.48. Sheriff's deed due April 27, 1937.

Case No. 43318-A—H. S. McCluskey, versus Davis, Wright, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Case No. 43350-B—H. S. McCluskey, versus Davis, Wright, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Exhibit No. VIII.—(Continued)

Case No. 43319-B—H. S. McCluskey, versus Davis, Wright, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937. [124]

Case No. 43938-C—H. S. McCluskey, versus Greenlee, Rufus E. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sale set for April 20, 1937, at ten o'clock A.M.

Case No. 43317-D—H. S. McCluskey, versus Edmondson, Marcel Hollen, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43340-C—H. S. McCluskey, versus Hall, M. D. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 44559-D—H. S. McCluskey, versus Holman, Anna H. et al. Foreclosure complaint filed March 31. Summons issued and defendants served.

Case No. 43169-C—H. S. McCluskey, versus Kuhne, Lue Ethel Goble, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$149.80. Sheriff's deed due April 20, 1937.

Case No. 43339-B—H. S. McCluskey, versus LeBaron, Conway, et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Exhibit No. VIII.—(Continued)

Case No. 43505-B—H. S. McCluskey, versus the known heirs and unknown heirs of Mercedes G. Lee, deceased. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due July 5, 1937.

Case No. 43151-B—H. S. McCluskey, versus Lincoln Mortgage Company, et al. Foreclosure complaint filed. Sheriff's certificate of sale due April 20, 1937. Deficiency judgment taken in the sum of \$14,334.43.

Case No. 43112-B—H. S. McCluskey, versus McGlothlin, Edgar, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43295-C—H. S. McCluskey, versus Nelson, George B. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43294-B—H. S. McCluskey, versus Nelson, George B. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43234-B—H. S. McCluskey, versus George B. Nelson, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Case No. 43296-D—H. S. McCluskey, versus Nelson, George B. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937. [125]

Exhibit No. VIII.—(Continued)

Case No. 43152-C—H. S. McCluskey, versus Owens, B. S. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43297-A—H. S. McCluskey, versus Pinson, Martin Leslie, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Case No. 43228-D—H. S. McCluskey, versus Renwick, George, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 20, 1937.

Case No. 43163-C—H. S. McCluskey, versus Rolins, Charles E. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Case No. 43406-D—H. S. McCluskey, versus Staggs, Clyde Seldon et al. Foreclosure complaint filed. Judgment entered. Execution and order of sale issued. Sale set for April 27, 1937, at ten o'clock A.M.

Case No. 434644-C—H. S. McCluskey, versus Stephenson, C. W. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$500.00. Sheriff's deed due July 5, 1937.

Case No. 43609-A—H. S. McCluskey, versus Vest, Robert H. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due July 5, 1937.

Exhibit No. VIII.—(Continued)

Case No. 43229-A—H. S. McCluskey, versus Yoa-kum, W. E. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due April 27, 1937.

Navajo County

H. S. McCluskey, versus Carter, Harry, et al. Foreclosure complaint filed. Petition for order for authority to compromise indebtedness of Harry Carter, et ux, granted. Papers released.

Case No. 4082—H. S. McCluskey, versus Farr, Dewey, et al. Foreclosure complaint filed. Default entered against all defendants, case at issue and ready to be tried.

Case No. 4225—H. S. McCluskey, versus Ferguson, W. E. et al. Foreclosure complaint filed on March 22, 1937. Service made on all defendants. Case pending.

Pinal County

Case No. 5817—H. S. McCluskey, versus Darr, J. S. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Deficiency judgment taken in the sum of \$100.00. Sheriff's deed due July 15, 1937.

Case No. 5777—H. S. McCluskey, versus Templeton, Phebe, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due July 15, 1937.

Case No. 5804—H. S. McCluskey, versus Ward, Homer B. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Deficiency judgment

Exhibit No. VIII.—(Continued)

taken in the sum of \$100.00 and later released in consideration of a quit-claim deed from Homer B. Ward, et ux, to Association. Sheriff's deed due July 15, 1937. [126]

Santa Cruz.

Case No. 2984—H. S. McCluskey, versus Munoz, Eleazar S. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due We have not received a copy of the sheriff's certificate of sale on this property. Have written letters asking for same but they have not been answered.

Case No. 3017—H. S. McCluskey versus Bettwy, A. et al. Foreclosure complaint filed. Defendant has made numerous promises to pay rent in lieu of having a receiver appointed. He has failed to comply with promises and hearing for application of appointment of receiver was set for hearing on February 4, 1937. Gordon Farley, attorney for defendant, asked that this hearing be postponed till after the meeting of the legislature. Matter to be reset.

Yavapai County

Case No. 13672—H. S. McCluskey versus Frye, Clara Reuter, et al. Foreclosure complaint filed. Case at issue. Ready to be tried.

Case No. 13789—H. S. McCluskey, versus Jacob, Lula A. et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due August 15, 1937.

Exhibit No. VIII.—(Continued)

Case No. 43297—H. S. McCluskey versus Paar, Viva Head, et al. Foreclosure complaint filed. Sheriff's certificate of sale issued. Sheriff's deed due. Have written for same.

Case No. 13694—H. S. McCluskey, versus Story, Thomas A. et al. Foreclosure complaint filed. Moratorium granted to March 4, 1937. Order to court that Story pay into office of the clerk certain monthly rentals. Story in default. Has paid nothing since December.

Yuma County

Case No. 9079—H. S. McCluskey versus Ham, Eva J. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due August 15, 1937.

Case No. 9126—H. S. McCluskey, versus Spain, Lawrence C. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due August 15, 1937.

Case No. 9132—H. S. McCluskey versus McIntire, Clarence F. et al. Foreclosure complaint filed. Gone to judgment. Sheriff's certificate of sale issued. Sheriff's deed due August 15, 1937. [127]

EXHIBIT No. IX.

NOTES AND MORTGAGES UPON WHICH PAYMENTS
WERE BEING MADE ON APRIL 1, 1937

Loan No.	Name	Smith Inventory 11/30/35	Hill Inventory 4/1/37
357	Simons, R. R.	\$ 62.78	\$ 50.23
369	Freeman, J. A. Jr.	226.68	75.17
640	John L. Willis	536.53	81.40
698	Love, C. S.	6,893.47	6,470.11
730	Riggs, Wm. A.	339.25	19.62
799	Ficke, Aug.	1,498.56	787.23
912	Donahue, M. J.	274.79	138.01
951	Madrid, C. G.	394.07	360.57
1029	Freeman, J. A.	151.00	102.92
1062	T. C. Thomas	135.14	14.28
1258	Stringyan, S. John	181.86	76.25
1313	Myer, John L.	586.29	300.00
1407	Goetz, Hazel L.	3,356.11	1,581.45
1457	Tisdale, Wm. Gray	524.42	360.69
1489	Whitely, Geo. C.	612.90	434.31
1527	Gibbons, Mabel	1,125.18	1,068.87
1559	Womack or C. E. Johnson	298.11	171.11
1584	J. Holstein	177.29	205.03
1626	Chas. N. Gay	275.67	179.69
1686	Laurabel Gardner	2,217.30	1,959.89
1696	Shrewsbury, J. H.	561.53	495.32
1715	Shumway, S. B.	1,895.98	1,654.78
1790	Major, Mrs. Heber	325.56	289.85
1835	J. T. Neill	662.12	55.25
1866	Ida Vinson	598.52	445.71
2012	Mary Houck	1,133.12	795.69
2173	Blye, Georgia A.	722.56	552.08
2201	J. L. Oberba	486.15	221.12
2217	Thomas Short	3,185.25	3,155.67
2219	Gertrude Smith	1,880.20	1,789.84
2220	O. A. Edwards	557.39	433.57
2227	Kurtz, Ozella Park	1,378.75	1,181.38
2243	Eliz. E. Adams	691.97	535.88
76	Lynn Lockhart	57,943.09	58,027.96
2290	Ingleside Land	10,011.78	9,650.84

Notes and Mortgages upon which payments were being made on
April 1, 1937—(Continued)

Loan No.	Name	Smith Inventory 11/30/35	Hill Inventory 4/1/37
2297	Johnson, J. O.	2,781.70	2,392.63
2299	Daniel Rumph	1,780.18	746.04
		<hr/>	<hr/>
		\$106,463.25	\$96,860.44

Reconciliation with Inventory of Harry H. Hill

There are shown on the inventory of Harry W.
Hill, under Real Estate Loans—Arizona, 53
items which include in addition to the above:

14 notes and mortgages on which foreclosures were
pending (Ex. VIII, p. 4), April 1, 1937 balance 29,947.78

Loan 2204, Catherina Short, which had been fore-
closed and purchased at sheriff's sale for benefit
of receivership estate (Ex. VIII, p. 2)..... 6,239.52

Per inventory of April 1, 1937.....\$133,047.74

[128]

EXHIBIT No. X.

REAL ESTATE SOLD FOR CASH

REO No.	Name of Property	Book Balance	Appraised Value	Sale Price
120	Westward Ho Garage	49,885.06	45,000.00	44,000.00
126	Williams	1,793.83	350.00	550.00
128	Williams	1,379.24	900.00	900.00
198	Pickus	2,172.60	2,450.00	1,950.00
204	Wilson	5,069.34	3,400.00	3,300.00
308	Mahoney	1,987.26	600.00	600.00
352	Crugar	6,410.13	5,287.00	5,600.00
357	Cambridge	3,676.60	3,000.00	3,000.00
358	Riggins	1,683.25	1,550.00	1,450.00
359	Rohe	4,937.35	3,750.00	2,900.00
		<hr/>	<hr/>	<hr/>
		78,994.66	66,287.00	64,250.00

REAL ESTATE SOLD ON CONTRACT

REO No.	Name of Property	Book Balance	Value Appraised	Amount of Contract
188	Durrough	577.23	500.00	350.00
356	Lukin	2,079.37	1,900.00	700.00
183	Clara W. Wolfe	2,367.62	1,640.00	1,500.00
292	Smith	2,412.90	1,180.00	1,300.00
333	Greer	1,790.26	1,275.00	1,400.00
123	Temple	936.17	700.00	800.00
140	Snow	1,192.85	370.00	800.00
362	Mytinger	4,415.09	3,900.00	3,900.00
355	Stafford	951.40	600.00	700.00
349	McDonald	5,180.44	3,250.00	3,450.00
206	Dutton	5,079.18	2,800.00	2,500.00
187	Lang	1,312.92	750.00	600.00
127	Williams	1,507.46	450.00	700.00
		29,802.89	19,315.00	18,700.00
Purchaser assumes unpaid taxes in amount of.....				1,353.05

REAL ESTATE SOLD PRIOR TO APRIL 1, 1937, BUT CON-
SIDERATION NOT PAID UNTIL AFTER APRIL 1, 1937

REO No.	Name of Property	Balance	Appraised Value	Sale Price
		Apr. 1, 1937		
190	Morrell	\$ 5,742.95	\$ 3,450.00	\$ 3,300.00
208	White	3,750.08	1,800.00	2,050.00
314	Hillman	2,084.37	1,600.00	1,500.00
335	Fram	1,493.81	1,550.00	1,292.50
		\$13,071.21	\$ 8,400.00	\$ 8,142.50

[129]

EXHIBIT No. XI.

REAL ESTATE OWNED SITUATED IN ARIZONA

No.	Name	Inventory 11/30/35	Ledger Bal. 4/1/37
40	Shreve Peterson	\$ 5,332.28	\$ 5,332.28
124	L. W. Williams	3,178.88	3,178.88
125	L. W. Williams	3,544.04	3,544.04
131	Charles Martin	14,856.74	14,856.74
132	Orin W. Crider	4,518.46	4,523.32
133	R. W. Hamilton	4,839.30	4,844.36
142	Josephine Horwath	1,394.87	1,394.87
153	Henry W. Peterson	2,343.97	2,363.15
176	Margret Harvey	2,380.59	2,380.59
180	R. H. Rateliff	4,867.86	4,889.34
181	Verna Stanton	985.57	985.57
182	A. M. Shoemaker	791.27	791.27
184	Tony Hoffman	3,443.13	3,443.13
185	Geo. P. Hatch	2,842.48	2,842.48
186	A. H. Hartman	4,853.11	4,853.11
189	Northern Arizona Hotel.....	4,547.88	5,081.79
191	Marie Belboze	6,667.36	6,667.36
192	Frank Parrish	3,471.30	3,471.30
193	Louise Weston	4,739.43	4,739.43
194	Pat Bohannon	2,262.96	2,262.96
195	Arthur R. Taylor	1,858.06	1,858.06
196	C. M. Barnett	1,919.48	1,925.77
197	McElvertt Inv. Co.....	2,640.24	2,640.24
199	Wm. W. Epenbach	4,238.12	4,238.12
200	Maleon Caldwell	3,591.81	3,591.81
201	T. Morris Chambers	3,801.07	3,801.07
202	T. Morris Chambers	4,230.22	4,230.22
203	T. Morris Chambers	4,560.23	4,560.23
205	B. M. Arnold	4,755.93	4,655.93*
299	J. Ross Whiteley	2,566.01	2,566.01
301	J. R. Cosby	1,677.14	1,677.14
305	G. L. Schofield	5,590.07	5,590.07
312	Gertrude Binion	1,070.77	1,051.44
313	Fidelity Real Estate Corp....	1,568.94	1,891.46
316	O. E. Rogers	1,265.78	1,265.78
317	R. F. Schultz	1,625.44	1,625.44
325	John M. Anderson	2,798.06	2,625.50*
331	Anna L. Beals	6,050.53	6,482.79
334	Iva S. Birdsong	581.21	715.61

Real Estate Owned Situated in Arizona—(Continued)

No.	Name	Inventory 11/30/35	Ledger Bal. 4/1/37
338	Ossner D. Flake	967.01	967.01
339	Ossner D. Flake	941.22	941.22
340	John Anderson	1,388.79	1,441.49
345	Earl L. Larson	1,607.71	1,557.71*
346	Ingleside Golf Club	52,090.43	52,089.89
347	Phoenix Land & Inv. Co.....	51,759.17	51,847.26
348	Harold M. Roberts	4,481.39	4,096.39*
350	Chas. H. Field	10,389.43	9,571.69
351	Tomie M. Crow	506.41	506.41
353	M. M. G. Fordham.....	2,068.41	2,085.28
354	A. R. Taylor	3,607.11	3,607.11
361	W. M. Jett	1,800.88	1,800.88

\$269,858.55 \$269,951.00

Error Inventory 11/30/35,

No. 34654

\$269,858.01

[130]

Ledger Balance 4/1/37 Fwd.....\$269,951.00

Reconciliation with Inventory of Harry W. Hill
There are shown on the inventory of Harry W. Hill, under Real Estate Owned 62 items which include in addition to the above:

5	parcels for which deeds were taken, as shown on Exhibit VII, Inventory value.....	14,743.48
4	Parcels sold and sale confirmed but not completed prior to April 1, 1937, as shown on Exhibit X, Inventory Value	13,071.21
2	Parcels—(R.E.O. 366 \$1,127.66 and 367 \$1,734.39, acquired by cancellation of contracts Nos. 170 and 181	2,862.05

Balance shown in Inventory of April 1, 1937.....\$300,627.74

* These accounts have been credited with deposits made by prospective purchasers.

Note: Ledger Balance of April 1, 1937, includes payments made for paving assessments, improvements, adjusted interest, and amounts credited to accounts for deposits made by prospective purchasers.

[131]

EXHIBIT No. XII.

SUMMARY OF BOOK LOSS ON REALIZATION

	Book Balance	Appraised Value	Amount Realized	Book Loss on Realization
Real Estate sold for cash (ex. X)	78,994.66	66,287.00	54,250.00	14,744.66
Real Estate sold on Contract (Ex. X)	29,802.89	19,315.00	18,700.00	11,102.89
Real Estate Loans comprised at a book loss (Ex. VII)	15,891.96	10,569.47	10,569.47	5,322.49
Real Estate Loans refinanced through H. O. L. C. at a book loss (Ex. V)	55,957.63	38,121.04	38,121.04	17,836.59
Real Estate Owned Refinanced through H. O. L. C. at a book loss (Ex. V)	4,913.07	3,828.57	3,828.57	1,084.50
Accounts Receivable	185,560.21	138,121.08	135,469.08	50,091.13
Adjustment and Allowances on Real Estate Loans (Ex. VII)	468.89	.....	19.93	448.96
	.....	.....	.....	98.95
Book Loss on Realization (Mr. Hill's Report)				50,639.04

[132]

EXHIBIT No. XIII.

ARIZONA OFFICE

RECEIPTS, DISBURSEMENTS, OFFSETS, TRANSFERS
AND ADJUSTMENTS

Cash and Journal Vouchers—Nov. 30, 1935 to Mar. 31, 1937

Cash on Hand and in Banks Nov. 30, 1935.....	\$131,003.32
Real Estate Loans—Principal	336,859.43
Real Estate Loans—Principal—Canada.....	37,500.07
Real Estate Loans—Principal—Idaho	20.00
Real Estate Contracts—Principal	9,698.68
Real Estate Owned—Capital	117,689.97
Real Estate Subject to Redemption.....	225.58
Promissory Notes & Second Mortgages.....	1,256.12
Claims and Judgments	179.44
State & County Warrants	1,699.58
Furniture & Fixtures	109.75
Accounts Receivable	472.55
Accounts Receivable (R. Bruce Abel—Close out).....	8,411.34
Accounts Receivable—Wyoming	6.44
Receiver's Income—Real Estate Operations:.....	47,179.23
Rents	34,517.81
Golf Course Revenue	12,333.93
REO 4, Nebraska	327.49
<hr/>	
Real Estate Operating Expense (Close outs).....	1,147.64
Receiver's Income—Interest Collections	13,802.86
Real Estate Loans	12,679.97
Real Estate Contracts	788.20
Warrants called for payment	169.37
Promissory Notes & Second Mortgages	165.32
<hr/>	
Accrued Interest—H.O.L.C. Bonds to 3-31-37.....	1,092.23
Receiver's Income—Dividends—Closed Banks and Certs.	112.58
Exchange Items	9,898.57
General Suspense Items	4,598.75
Transfer of Deposits	255,281.39
Uncollected Accrued Interest (12-31-33).....	162.48

Cash and Journal Vouchers—(Continued)

Canadian Expense (Reports)	1,523.02
J. A. Swanson & Company (To close).....	2,251.56
Royal Bank of Canada (To close).....	709.83

Total.....\$982,892.41

[133]

DISBURSEMENTS AND ADJUSTMENTS

Real Estate Loans—Principal	\$ 38,789.13
Real Estate Contracts—Principal	18,981.41
Real Estate Owned (Capital)	21,901.85
Real Estate Owned (REO 4)—(Capital).....	1,339.00
Real Estate Owned (Oregon) Returned Check.....	9.75
Real Estate Subject to Redemption.....	135,874.34
Promissory Notes & Second Mortgages.....	6,275.74
Home Owners' Loan Corporation Bonds	59,600.00
Accrued Interest on H.O.L.C. Bonds to 3-31-37.....	1,092.23
Warrants Received	1,060.12
Furniture & Fixtures	201.65
Accounts Receivable (J. A. Swanson & Co., Ltd.)....	15,000.00
Real Estate Operating Account:	47,654.76
Sewer and Water expense.....	1,467.38
Repairs & Maintenance	4,937.87
Taxes and Assessments	19,095.67
Insurance & Title Expense.....	3,534.11
Rental and Miscellaneous Expense.....	2,218.20
Golf Course Expense	14,175.12
REO's—Nebraska & Oklahoma	319.67
Liability Insurance & Agents' Bonds	1,906.74

Real Estate Operating Income (Close outs).....	1,768.73
Receiver's Liquidating Expenses	65,834.39
Receiver's Salaries	9,120.02
Legal Advisors' Salaries	15,546.00
Professional Accounting Service	4,821.34
Employees' Salaries	21,740.19
Printing, Supplies & Stationery.....	1,446.59
Office Rent	3,325.00
Telephone, Telegraph & Postage.....	1,698.18

Disbursements and Adjustments—(Continued)

Travel Expense—Receivers & Legal	
Advisors	2,541.40
Travel Expense—Employees	1,458.51
Office Equipment & Maintenance.....	105.97
Court Costs and Fees	893.19
Employees' Bonds	272.98
Receivers' Bonds	407.50
Insurance (Miscellaneous)	838.03
Appraisal Fees	937.80
Social Security Tax	51.52
Federal Unemployment Comp. Ins.....	21.52
State Unemployment Comp. Ins.....	193.72
Miscellaneous (All other)	414.93
<hr/>	
Canadian Appraisals	222.00
Canadian Expense (Publishing Order).....	98.17
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[134]	
California Expense—Lamar-Cobb	\$ 32.32
Idaho Expense	125.72
Losses on Realization	50,639.04
Real Estate Loans	25,086.59
Real Estate Owned	25,103.49
Accounts Receivable	448.96
<hr/>	
Loss on Realization—Sale Canadian Assets.....	32,411.42
Receiver's Set-Offs in Liquidation	15,757.57
(Interest refigure adjustments)	
Exchange Items	9,904.52
General Suspense Items	5,589.23
Canadian Suspense (Collateral Security).....	2,948.07
General Surplus	175.54
Transfer of Deposits	255,281.39
Uncollected Accrued Interest (12-31-33).....	22,383.24
Cash on hand and in Banks Mar. 31, 1937.....	171,941.08
<hr/>	
Total.....	\$982,892.41

[135]

EXHIBIT No. XIV.

INSTRUMENTS FILED IN CAUSE No. E-268 PHOENIX
IN UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF ARIZONA BY H. S. McCLUSKEY, RE-
CEIVER OF INTERMOUNTAIN BUILDING AND
LOAN ASSOCIATION, FROM DECEMBER 2, 1935 TO
APRIL 1, 1937

Filing Date	Instrument	File No.
Dec. 2, 1935	(1) Order Directing Phoenix National Bank, The Valley National Bank, State Treasurer of Arizona, and Rulon S. Starley to Turn Over Funds and Other Assets in their Possession to H. S. McCluskey, Receiver.....	38
" "	(2) Application of Appointment of Attorneys	38
" "	(3) Order Appointing Attorneys.....	38
" "	(4) Petition Praying for Instruction for Trip to Utah and Other States in Reference to Affairs of Intermountain Building & Loan Association, and Authorizing Expenses Therefore	38
" "	(5) Order Authorizing Receiver and his Counsel to Make Trip to Utah and Other States and Allowing Expenses Therefor	38
" "	(6) Order to Show Cause Why Appointment of Receiver Should Not Be Made Permanent (Returnable January 6, 1936)	38
" "	(7) Petition for Extension of Time for Filing Inventory	38
" "	(8) Order Extending Time within which to File Inventory to Four Months from and After this Date.....	38
" "	(9) Petition for Order Designating Banks in Which Receiver May Deposit Funds	38
" "	(10) Order Designating Certain Banks as Receiver's Depositories	38

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Jan. 28, 1936	(11) Petition for Appointment of Additional Attorneys and Naming John L. Gust as Such Additional Attorney.....	38
" "	(12) Order Appointing John L. Gust as Additional Attorney for Receiver.....	38
" "	(13) Petition for Making of Monthly Allowance to John L. Gust, Additional Attorney for Receiver	38
" "	(14) Order for Allowance of \$300.00 per month for Receiver's Attorney, John L. Gust	38
		[136]
" "	(15) Petition for Order for Monthly Allowance to Henry S. McCluskey, Receiver	38
" "	(16) Order for Allowance of \$500.00 to H. S. McCluskey, Receiver	38
" "	(17) Petition for Making of Monthly Allowance to Elizabeth G. Monaghan, Attorney for Receiver	38
" "	(18) Order for Allowance of \$250.00 per month to Elizabeth G. Monaghan, Attorney for Receiver	38
" "	(19) Petition for Monthly Allowance to Thomas W. Nealon, Attorney for Receiver	38
" "	(20) Order for Allowance of \$300.00 per month for services and \$150.00 per month for expenses for Receiver's Attorney, Thomas W. Nealon.....	38
Feb. 8, 1936	(21) Plaintiffs Motion to Dismiss Petition of Rulon S. Starley, Bank Commissioner of Utah, for Leave to Intervene	38
" "	(22) Plaintiffs Memoranda of Points and Authorities on Motion to Dismiss Petition for Leave to Intervene. Filed by Rulon F. Starley, as Bank Commissioner of the State of Utah.....	38

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Feb. 8, 1936	(23) Order Making the Appointment of Henry S. McCluskey, as Receiver of Intermountain Building & Loan Association, an Utah corporation, Permanent	38
" "	(24) Oath of Receiver of Intermountain Building & Loan Association, a corporation	38
" "	(25) Petition of Henry S. McCluskey, Receiver, for Appointment of Co-Receiver	38
" "	(26) Order Granting Petition of Henry S. McCluskey, Receiver, for the Appointment of a Co-Receiver, and Appointing George A. Mauk as Co-Receiver....	38
[137]		
" "	(27) Oath of Co-Receiver of Intermountain Building & Loan Association.....	38
" "	(28) Bond of Co-Receiver of Intermountain Building & Loan Association (American Bonding Company of Baltimore—\$25,000.00)	38
" "	(29) Order Approving Bond	38
" "	(30) Order Approving Bond of H. S. McCluskey, as modified	38
" "	(31) Petition for Order Ratifying Certain Acts of Receiver and Conferring Additional Power and Authority on Receivers	38
" "	(32) Order Ratifying Certain Acts of Receiver and Conferring Additional Power and Authority on Receivers....	38
" "	(33) Petition of Receivers for Authority to Pay Installment of Principal and Interest due on Note to First Trust Company of Lincoln, Nebraska.....	30
" "	(34) Order Authorizing Receivers to Pay Installment of Principal and Interest Due on Note to First Trust Company of Lincoln, Nebraska	30

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Feb. 8, 1936 (35)	Petition for Authority to Sell Property to Maurice L. Reid and Beulah Reid, his wife	51
“ “ (36)	Order Authorizing Receivers to Sell Property to Maurice L. Reid and Beulah Reid, his wife	51
Feb. 24, 1936 (37)	Petition of Receivers for Authority to Compromise Indebtedness of George and Mary Corroneos	41
“ “ (38)	Order Authorizing Receivers to Compromise Indebtedness of George and Mary Corroneos	41
“ “ (39)	Petition for Leave to Repair Property (REO #345)	31
“ “ (40)	Order Granting Leave to Repair Property (REO #345)	31
[138]		
Feb. 25, 1936 (41)	Petition for Authority to Institute Suit in California	25
“ “ (42)	Order Authorizing Receiver to Join with Other Plaintiffs in a Suit in California	25
Feb. 28, 1936 (43)	Petition for Order Authorizing Payment of Services to James A. Smith, Certified Public Accountant	56
“ “ (44)	Order Authorizing Payment of Services to James A. Smith, C.P.A.....	56
“ “ (45)	Petition for Order Authorizing Assignment of Mortgage to First National Building & Loan Association..	40
“ “ (46)	Order Authorizing Receivers to Make Settlement of Mortgage to First National Building & Loan Association....	40
“ “ (47)	Petition for Leave to Repair Property REO #331	31
“ “ (48)	Order Authorizing Receiver to Repair Property (Reo #331).....	31

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Mar. 3, 1936 (49)	Petition of Receiver for Authority to Compromise Indebtedness of Charles C. Jarrett and Willy Jeannette Jarriett, his wife	42
" " (50)	Order Authorizing Receiver to Compromise Indebtedness of Chas. C. Jarrett and Willy Jeannette Jarrett, his wife	42
" " (51)	Petition for Order Authorizing Payment for Services of W. H. Plunkett Audit Company, C.P.A.	56
" " (52)	Order Authorizing Payment of Services of W. H. Plunkett Audit Company, C.P.A.	56
" " (53)	Petition for Authority to enter into Contract of Sale of Real Property to Sylvestre Almendarez and Juana Almendarez, his wife, and to convey same (Reo #188)	50
" " (54)	Order Authorizing Receiver to enter into Contract of Sale of Real Property to Sylvestre Almendarez and Juana Almendarez, his wife, and to Convey Same (Reo #188)	50
[139]		
Mar. 9, 1936 (55)	Petition for Authority to Liquidate Notes and Mortgages of H. O. L. C. Bonds	36
" " (56)	Order Authorizing Receiver to Liquidate Notes and Mortgages by Acceptance of H.O.L.C. Bonds.....	36
" " (57)	Petition for Authority to Lease Property to The Texas Company (Westward Ho Garage Reo #120).....	32
" " (58)	Order Authorizing Lease of Property to The Texas Company (Westward Ho Garage—Reo #120)	32

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Mar. 23, 1936 (59)	Answer of Receiver to Petition of Shell Oil Company for Order to Show Cause why They Should not be Permitted to Retain Possession of Property	32
" " (60)	Receiver's Memorandum of Points and Authorities in Support of Answer to Petition of Shell Oil Co.....	32
" " (61)	Affidavit of H. S. McCluskey in Petition of Shell Oil Company.....	32
" " (62)	Affidavit of George A. Mauk in re Petition of Shell Oil Company.....	32
" " (63)	Petition for Authority to Release and Satisfy Mortgage Executed by Maurice L. Reid and Beulah C. Reed.....	40
" " (64)	Order Authorizing Release and Satisfaction of Mortgage Executed by Maurice L. Reid and Beulah C. Reid	40
" " (65)	Petition of Receiver for Extension of time Within which to File Inventory	37
" " (66)	Order Extending Time Four Months from March 26, 1936 within which Receiver May File Inventory.....	37
" " (67)	Petition for Authority of Receiver to Institute Suit in Idaho	26
" " (68)	Order Authorizing Receiver to Institute Suit in Idaho and to Employ Counsel in that Jurisdiction.....	26
" " (69)	Petition for Authority to Sell Promissory Note to Mrs. John Biava, Jr. (Loan #1054)	48

[140]

Apr. 2, 1936 (70)	Order Authorizing Receiver to Sell Promissory Note to Mrs. John Biava	48
" " (71)	Petition for Authority to Compromise Note and Mortgage with Arthur E. Price (Loan #2188)	43
" " (72)	Order Authorizing Receiver to Compromise Note and Mortgage with Arthur E. Price (Loan #2188).....	43

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 2, 1936 (73)	Petition for Authority to Enter into Contract to Sell Lots in Tempe (Reo #356)	49
" " (74)	Order Authorizing Receiver to Enter Into Contract to Sell Lots in Tempe	49
Apr. 6, 1936 (75)	Petition for Authority to Send Notes, Mortgages, etc., to Court with Ancillary Receiver in Utah	28
" " (76)	Order Authorizing Receiver to Send Notes, Mortgages, etc., to Court and Ancillary Receiver in Utah.....	28
Apr. 7, 1936 (77)	Petition for Order to Send Notes, Mortgages, Deeds, Land Contracts, Abstracts, Certificates of Title and Fire Insurance Policies to Receiver in Wyoming	27
" " (78)	Order Authorizing Henry S. McCluskey and George A. Mauk, Co-Receiver of Intermountain Building & Loan Association to Send Notes, Mortgages, etc., to Receiver in Wyoming	27
" " (79)	Petition of Co-Receiver for Authority to Institute and Join in Suit.....	34
" " (80)	Order Authorizing and Directing Co-Receiver to Join with Others in a Suit in Oregon and Employ Oregon Counsel	34
" " (81)	Petition of Receivers for Authority to Sell Property in Yuma County, Ariz.	23
" " (82)	Order Authorizing Receivers to Sell Property in Town of Somerton, Yuma County, Arizona (Reo 128)	23
Apr. 10, 1936 (83)	Petition for Authority to Compromise Note and Mortgage of Rowena Woods, a widow, by Accepting HOLC Bonds	HOLC

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 10, 1936 (84)	Order Authorizing Co-Receiver to Compromise Note and Mortgage of Rowena Woods by Accepting HOLC Bonds	HOLC
[141]		
" "	(85) Petition to Compromise Indebtedness of H. E. Carmack and wife by Accepting HOLC Bonds (REL 1914) HOLC	
" "	(86) Order Authorizing Co-Receiver to promise Indebtedness of H. E. Carmack and wife by Accepting HOLC Bonds	HOLC
" "	(87) Petition to Compromise Indebtedness of Wright Davis and wife by Accepting HOLC Bonds	HOLC
" "	(88) Order Authorizing Receiver to Compromise Indebtedness of Wright Davis and wife by Accepting HOLC Bonds	
" "	(89) Petition Authorizing Receiver to Compromise Indebtedness of Perry Deal and wife by Accepting HOLC Bonds. REL 2292	HOLC
" "	(90) Order Authorizing Receiver to Compromise Indebtedness of Perry Deal and wife by Accepting HOLC Bonds. REL 2292	HOLC
" "	(91) Petition for Authority to Compromise Indebtedness of Arthur Bustament, assumed by Laura Burquez, by Acceptance HOLC Bonds, REL 2071	HOLC
" "	(92) Order Authorizing Receiver to Compromise Indebtedness of Arthur Bustamente, assumed by Laura Burquez, by Accepting HOLC Bonds. REL 2071	HOLC
" "	(93) Petition for Authority to Compromise Indebtedness of Fanny Bell Ball and husband by Accepting HOLC Bonds. REL 1500	HOLC

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 10, 1936	(94) Order Authorizing Receivers to Compromise Indebtedness of Fanny Bell Ball and husband by Accepting HOLC Bonds. REL 1500.....	HOLC
" "	(95) Petition for Authority to Compromise Indebtedness of R. Gordon Campbell by Accepting HOLC Bonds. REL 2312	HOLC
" "	(96) Order Authorizing Receiver to Compromise Indebtedness of R. Gordon Campbell by Accepting HOLC Bonds. REL 2312	HOLC
" "	(97) Petition for Authority to Compromise Indebtedness of Alabert A. Condron and wife by Accepting HOLC Bonds. REL 2304	HOLC
" "	(98) Order Authorizing Receiver to Compromise Indebtedness of Albert A. Condron and wife by Accepting HOLC Bonds. REL 2304.....	HOLC
" "	(99) Petition for Authority to Compromise Indebtedness of J. F. Mills and Mabel Mills, assumed by Foster J. Mason. REL 1918	HOLC
[142]		
" "	(100) Order Authorizing Receiver to Compromise Indebtedness of J. F. Mills and Mabel Mills, assumed by Foster J. Mason.	
" "	(101) Petition for Authority to Compromise Indebtedness of John Fischer and wife by Accepting HOLC Bonds.	
" "	(102) Order Authorizing Receiver to Compromise Indebtedness of John Fischer and wife by Accepting HOLC Bonds.	
" "	(103) Petition for Authority to Compromise Indebtedness of J. W. Stein by Accepting HOLC Bonds.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 10, 1936	(104) Order Authorizing Receiver to Compromise Indebtedness of J. W. Stein by Accepting HOLC Bonds.	
“ “	(105) Petition for Authority to Compromise Indebtedness of Mary B. Palmer and husband by Accepting HOLC Bonds.	
“ “	(106) Order Authorizing Receiver to Compromise Indebtedness of Mary B. Palmer and husband by Accepting HOLC Bonds.	
“ “	(107) Petition for Authority to Compromise Indebtedness of Eula L. Ledbetter and Andrew A. Ledbetter, assumed by Bonita Brock by Accepting HOLC Bonds.	
“ “	(108) Order Authorizing Receiver to Compromise Indebtedness of Eula L. Ledbetter and Andrew A. Ledbetter, assumed by Bonita Brock, by Accepting HOLC Bonds.	
“ “	(109) Petition for Authority to Compromise Indebtedness of Earl B. West and Irma H. West, assumed by E. C. Schneider, by Accepting HOLC Bonds.	
“ “	(110) Order Authorizing Receiver to Compromise Indebtedness of Earl B. West, and Irma H. West, assumed by E. C. Schneider, by Accepting HOLC Bonds.	
“ “	(111) First and Final Report of G. A. Mauk and for Allowance of Compensation and Discharge as Co-Receiver.	
“ “	(112) Order to Show Cause Why Report of G. A. Mauk Should not be Approved and Petition for Discharge Granted. (Set for Hearing May 11, 1936).	
“ “	(113) Petition for Authority to Send Notes, Mortgages, and Abstracts to Ancillary Receiver in Utah.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 15, 1936	(114) Order Authorizing Receiver to Send Notes, Mortgages, and Abstracts to Ancillary Receiver in Utah.	
" "	(115) Petition for Authority to Sell Promissory Note to John A. Harrell.	
" "	(116) Order Authorizing Receiver to Sell Promissory Note to John A. Harrell.	
Apr. 17, 1936	(117) Petition for Authority to Compromise Indebtedness of Wright Davis and wife, assumed by Raymond F. Ingram, by Accepting HOLC Bonds.	
" "	(118) Order Authorizing Receiver to Compromise Indebtedness of Wright Davis and wife, assumed by Raymond F. Ingram, By Accepting HOLC Bonds.	
" "	(119) Petition for Authority to Compromise Indebtedness of Ira S. Birdsong and wife by Accepting HOLC Bonds.	
" "	(120) Order Authorizing Receiver to Compromise Indebtedness of Ira S. Birdsong and wife by Accepting HOLC Bonds.	
" "	(121) Petition for Authority to Compromise Indebtedness of Parmalee McCutcheon and wife by Accepting HOLC Bonds.	
" "	(122) Order Authorizing Receiver to Compromise Indebtedness of Parmalee McCutcheon by Accepting HOLC Bonds.	
" "	(123) Petition for Authority to Compromise Indebtedness of Wright Davis and wife, assumed by A. R. Hagan, by Accepting HOLC Bonds.	
" "	(124) Order Authorizing Receiver to Compromise Indebtedness of Wright Davis and wife, assumed by A. R. Hagan, by Accepting HOLC Bonds.	
" "	(125) Petition for Authority to Compromise Indebtedness of Wright Davis and wife, assumed by A. D. Stanley, by Accepting HOLC Bonds.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 17, 1936	(126) Order Authorizing Receiver to Compromise Indebtedness of Wright Davis and wife, assumed by A. D. Stanley, by Accepting HOLC Bonds.	
		[144]
“ “	(127) Petition for Authority to Compromise Indebtedness of Olive Belle Fann and husband, by Accepting HOLC Bonds.	
“ “	(128) Order Authorizing Receiver to Compromise Indebtedness of Olive Belle Fann and husband, by Accepting HOLC Bonds.	
“ “	(129) Petition for Authority to Compromise Indebtedness of W. A. Dobbins, and wife, by Accepting HOLC Bonds.	
“ “	(130) Order Authorizing Receiver to Compromise Indebtedness of W. A. Dobbins, and wife, by Accepting HOLC Bonds.	
“ “	(131) Petition for Authority to Compromise Indebtedness of Dixie Greenlee and husband, assumed by Roy Lucas and wife by Accepting HOLC Bonds.	
“ “	(132) Order Authorizing Receiver to Compromise Indebtedness of Dixie Greenlee and husband, assumed by Roy Lucas and wife, by Accepting HOLC Bonds.	
“ “	(133) Order Authorizing Receiver to Compromise Indebtedness of Iva May Flower and husband by Accepting HOLC Bonds.	
“ “	(134) Petition for Authority to Compromise Indebtedness of Iva May Flower and husband by Accepting HOLC Bonds.	
“ “	(135) Petition for Authority to Compromise Indebtedness of Aubrey A. Moody and Mary G. Moody, assumed by Olyn R. Tuttle and wife, by Accepting HOLC Bonds.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 17, 1936	(136) Order Authorizing Receiver to Compromise Indebtedness of Aubrey A. Moody and Mary G. Moody, assumed by Olyn R. Tuttle and wife, by Accepting HOLC Bonds.	
" "	(139) Petition for Authority to Compromise Indebtedness of Violet Merrifield and husband, by Accepting HOLC Bonds.	
" "	(138) Order Authorizing Receiver to Compromise Indebtedness of Violet Merrifield and husband, by Accepting HOLC Bonds.	
" "	(139) Petition for Authority of Compromise Indebtedness of Wm. Gray Tisdale by Accepting HOLC Bonds.	
" "	(140) Order Authorizing Receiver to Compromise Indebtedness of Wm. Gray Tisdale by Accepting HOLC Bonds.	
[145]		
" "	(141) Petition for Authority to Compromise Indebtedness of Emma Adams and husband by Accepting HOLC Bonds.	
" "	(142) Order Authorizing Receiver to Compromise Indebtedness of Emma Adams and husband by Accepting HOLC Bonds.	
" "	(143) Petition for Authority to Compromise Indebtedness of Laren W. Cress and wife by Accepting HOLC Bonds.	
" "	(144) Order Authorizing Receiver to Compromise Indebtedness of Laren W. Cress and wife by Accepting HOLC Bonds.	
" "	(145) Petition for Authority to Compromise Indebtedness of R. E. Kelsey and wife by Accepting HOLC Bonds.	
" "	(146) Order Authorizing Receiver to Compromise Indebtedness of R. E. Kelsey and wife by Accepting HOLC Bonds.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 17, 1936	(147) Petition for Authority to Compromise Indebtedness of Thomas O. Moore and wife by Accepting HOLC Bonds.	
“ “	(148) Order Authorizing Receiver to Compromise Indebtedness of Thomas O. Moor and wife by Accepting HOLC Bonds.	
“ “	(149) Petition for Authority to Compromise Indebtedness of Ida C. Messer by Accepting HOLC Bonds.	
“ “	(150) Order Authorizing Receiver to Compromise Indebtedness of Ida C. Messer by Accepting HOLC Bonds.	
“ “	(151) Petition for Authority to Compromise Indebtedness of Eula Jacob and husband by Accepting HOLC Bonds.	
“ “	(152) Order Authorizing Receiver to Compromise Indebtedness of Eula Jacob and husband by Accepting HOLC Bonds.	
Apr. 21, 1936	(153) Petition for Authority to Compromise Indebtedness of C. M. Burnett and wife by Accepting HOLC Bonds.	
“ “	(154) Order Authorizing Receiver to Compromise Indebtedness of C. M. Burnett and wife by Accepting HOLC Bonds.	
[146]		
Apr. 24, 1936	(155) Petition for Authority to Release Mortgage of Property of Intermountain Building and Loan Association in British Columbia.	
“ “	(156) Order Authorizing Receiver to Release Mortgage of Property of Intermountain Building and Loan Association in British Columbia.	
“ “	(157) Petition for Authority to Compromise Indebtedness of Schewel by Accepting HOLC Bonds.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Apr. 24, 1936	(158) Order Authorizing Receiver to Compromise Indebtedness of Schewel by Accepting HOLC Bonds.	
" "	(159) Petition for Authority to Compromise Note and Mortgage of Ollason by Accepting HOLC Bonds.	
" "	(160) Order Authorizing Receiver to Compromise Note and Mortgage of Ollason by Accepting HOLC Bonds.	
" "	(161) Petition for Authority to Compromise Note and Mortgage of McCutcheon by Accepting HOLC Bonds.	
" "	(162) Order Authorizing Receiver to Compromise Note and Mortgage of McCutcheon by Accepting HOLC Bonds.	
" "	(163) Petition for Authority to Compromise Note and Mortgage of McIntire by Accepting HOLC Bonds.	
" "	(164) Order Authorizing Receiver to Compromise Note and Mortgage of McIntire by Accepting HOLC Bonds.	
May 6, 1936	(165) Petition for Authority to Compromise Balance of Unsatisfied Deficiency Judgment against Geo. B. Nelson, et ux.	
" "	(166) Order Authorizing Receiver to Compromise Balance of Unsatisfied Deficiency Judgment against Geo. B. Nelson, et ux.	
May 7, 1936	(167) Petition for Authority to Send Notes and Mortgages, etc., to Ancillary Receiver in Utah.	
" "	(168) Order Authorizing Receiver to Send Notes and Mortgages, etc., to Ancillary Receiver in Utah.	
May 8, 1936	(169) Petition for Authority to Sell Real Estate of R. S. Anend, et al.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
May 8, 1936	(170) Order Authorizing Receiver to Sell Real Estate of R. S. Anend et al.	
May 9, 1936	(171) Affidavit of H. S. McCluskey of Publication of Order to Show Cause.	
May 11, 1936	(172) Affidavit of Service of Order to Show Cause.	
“ “	(173) Order Approving First and Final Account of G. A. Mauk Fixing and Allowing Compensation for Services Rendered, Discharging G. A. Mauk as Co-Receiver and Exonerating his Bond.	
May 15, 1936	(174) Petition for Authority to Execute and Deliver Deed to M. J. Putnam.	
“ “	(175) Order Authorizing Receiver to Execute and Deliver Order to M. J. Putnam.	
“ “	(176) Petition for Authority to Release and Satisfy Mortgages Which were Paid Prior to the Taking Possession of the Assets of the Intermountain Building and Loan Association by H. S. McCluskey.	
“ “	(177) Order Authorizing Receiver to Release and Satisfy Mortgages which were Paid Prior to the Taking Possession of the Assest of the Intermountain Building & Loan Association by H. S. McCluskey.	
May 18, 1936	(178) Petition for Authority to Amend Order of April 15, 1936, Authorizing Receiver to Compromise Note and Mortgage of Ida C. Messer.	
“ “	(179) Order Authorizing Receiver to Amend Order of April 15, 1936, Authorizing Receiver to Compromise Note and Mortgage of Ida C. Messer.	
May 22, 1936	(180) Petition for Authority to Release and Satisfy Mortgages heretofore compromised and released by J. A. Malia.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
May 22, 1936	(181) Order Authorizing Receiver to Release and Satisfy Mortgages heretofore compromised and released by J. A. Malia.	
" "	(182) Petition for Order Fixing Time for Filing Claims.	
" "	(183) Order that Claims be Filed with Receiver before Six Months from this Date and Directing Receiver to Give Notice.	
[148]		
May 23, 1936	(184) Motion to Dismiss Petition of Southwestern Fire Insurance Company for Order Requiring Receiver to Execute Deed.	
" "	(185) Memorandum of Points of Authorities in Support of Receiver's Motion to Dismiss.	
May 26, 1936	(186) Petition for Authority to Send Abstract to Ancillary Receiver in Wyoming.	
" "	(187) Order Authorizing Receiver to Send Abstract to Ancillary in Wyoming.	
May 27, 1936	(188) Plaintiff's Motion to Set for Trial.	
May 29, 1936	(189) Petition for Authority to Send Documents to Ancillary Receiver in Utah.	
May 29, 1936	(190) Order Authorizing Receiver to Send Documents to Ancillary Receiver in Utah.	
" "	(191) Petition for Order to pay for services of James A. Smith, C.P.A.	
" "	(192) Order Authorizing Receiver to Pay for Services of James A. Smith, C.P.A.	
" "	(193) Petition for Authority to Send Abstract to Ancillary Receiver in Wyoming.	
" "	(194) Order Authorizing Receiver to Send Abstract to Ancillary Receiver in Wyoming.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
May 29, 1936	(195) Petition for Authority to Transmit Documents to Ancillary Receiver in Idaho.	
“ “	(196) Order Authorizing Receiver to Transmit Documents to Ancillary Receiver in Idaho.	
June 3, 1936	(197) Petition for Authority to Purchase Furniture for Apartment Building in Flagstaff.	
“ “	(198) Order Authorizing Receiver to Purchase Furniture for Apartment Building in Flagstaff.	
June 4, 1936	(199) Receiver's Memo of Points and Authorities in Support of Motion to Dismiss Petition of Southwestern Fire Insurance Company.	
June 11, 1936	(200) Petition for Authority to Compromise Indebtedness of Clyde Seldon Staggs, et al.	
“ “	(201) Order Authorizing Receiver to Compromise Indebtedness of Clyde Seldon Staggs, et al.	
[149]		
June 11, 1936	(202) Petition for Authority to Compromise Indebtedness of C. C. Jarrett and wife.	
“ “	(203) Order Authorizing Receiver to Compromise Indebtedness of C. C. Jarrett and wife.	
“ “	(204) Petition of H. S. McCluskey for Authority to Transmit Abstract to Attorneys for Receiver in Oregon.	
“ “	(205) Order Authorizing H. S. McCluskey, Receiver to Transmit Abstract to Wilson & Reilly, Attorneys in Oregon.	
“ “	(206) Petition for Authority to Transmit Abstracts, etc., to Ancillary Receiver in Utah.	
“ “	(207) Order Authorizing Receiver to Transmit Abstracts, etc. to Ancillary Receiver in Utah.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
June 15, 1936	(208) Petition for Authority to Transmit Documents to Ancillary Receiver in Idaho.	
“ “	(209) Order Authorizing Receiver to Transmit Documents to Ancillary Receiver in Idaho.	
June 19, 1936	(201) Petition for Authority to Sever and Sell Building situated on Real Property in Idaho.	
“ “	(211) Order Authorizing Receiver to Sever and Sell Building Situated on Real Property in Idaho.	
“ “	(213) Petition for Authority to Transmit Documents to Ancillary Receiver in Idaho.	
“ “	(213) Order Authorizing Receiver to Transmit Documents to Ancillary Receiver in Idaho.	
“ “	(214) Petition for Authority to Transmit Documents to Receivers Attorneys in Oregon.	
“ “	(215) Order Authorizing Receiver to Transmit Documents to Receivers Attorneys in Oregon.	
July 1, 1936	(216) Petition for Authority to Pay for Services of James A. Smith, C.P.A.	
“ “	(217) Order Authorizing Receiver to Pay for Services of James A. Smith, C.P.A.	
“ “	(218) Petition for Authority to Execute Lease.	
“ “	(219) Order Authorizing Receiver to Execute Lease.	
“ “	(220) Petition for Authority to Compromise Note and Mortgage of Laura Milam.	
[150]		
“ “	(221) Order Authorizing Receiver to Compromise Note and Mortgage of Laura Milam.	
“ “	(222) Petition for Authority to Accept School Warrants.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
July 1, 1936	(223) Order Authorizing Receiver to Accept School Warrants.	
“ “	(224) Petition for Authority to Sell Real Estate.	
“ “	(225) Order Authorizing Receiver to Sell Real Estate.	
“ “	(226) Petition for Order to Compromise Indebtedness.	
“ “	(227) Order Authorizing Receiver to Compromise Indebtedness.	
“ “	(228) Petition to Transmit Insurance Policies to Receiver's Attorneys in Oregon.	
“ “	(229) Order Authorizing Receiver to Transmit Insurance Policies to Messrs. Wilson & Riley, Receiver's Attorneys in Oregon.	
“ “	(230) Petition to Transmit Records to British Columbia and Release Mortgage.	
“ “	(231) Order Authorizing Receiver to Transmit Records to British Columbia and Release Mortgage.	
July 3, 1936	(232) Petition to Compromise Mortgage of Anton R. and Olga Carlson.	
“ “	(233) Order Authorizing Receiver to Compromise Mortgage of Anton R. and Olga Carlson.	
July 13, 1936	(234) Petition for Authority to Segregate Funds for Protection of Phoenix Title & Trust Company on Title Policies pending Final Determination on Validity of Liens.	
“ “	(235) Order Authorizing Receiver to Segregate Funds for Protection of Phoenix Title & Trust Company on Title Policies Pending Final Determination on Validity of Liens.	
“ “	(236) Receiver's Answer to Petition of Southwest Fire Insurance Company for Order Requiring Receiver to Execute Deed.	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
July 13, 1936	(237) Petition for Authority to Make Trip to California.	
“ “	(238) Order Authorizing Receiver to Make Trip to California.	
[151]		
July 17, 1936	(239) Petition for Appointment of Appraisers to Appraise Property in Coconino County on which Receiver has Offer and/or Prospective Purchasers (REL 2287 and 2288—Hutson Property)....	33D
“ “	(240) Order Appointing Appraisers to Appraise Property in Coconino County (REL 2287 and 2288).....	33D
“ “	(241) Petition for Appointment of Appraisers to Appraise Property in Pima County on which Receiver has Offer and/or Prospective Purchasers (Reo 362, 204, 349)	33E
“ “	(242) Order Appointing Appraisers to Appraise Property in Pima County (Reo 362, 204, 349)	33E
“ “	(243) Petition for Appointment of Appraisers to Appraise Property in Navajo County on which Receiver has Offers and/or Prospective Purchasers (Rel 2170, 2175, Reo 189, Reo 313, Rel 1527, and Rel 2061	33C
“ “	(244) Order Appointing Appraisers to Appraise Property in Navajo County (REL 2170, REL 2175, REO 189, REO 313, REL 1527, and REL 2061)	33C
“ “	(245) Petition for Appointment of Appraisers to Appraise Property in Navajo County on which Receiver has Offer and/or Prospective Purchaser (REO 359)	33C
“ “	(246) Order Appointing Appraisers to Appraise Property in Navajo County (REO 359)	33C

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
July 17, 1936	(247) Petition for Authority to Transmit Documents to Receiver's Attorneys in Oregon	34
" "	(248) Order Authorizing Receiver to Transmit Documents to Receiver's Attorneys in Oregon	34
" "	(249) Petition for Sale of Choses in Action Promissory Notes secured mortgages and other assets situated in British Columbia, Canada	29
" "	(250) Order to Show Cause Why Petition for Order Authorizing and Directing Receiver to Sell Assets in British Columbia Should Not Be Granted (Returnable July 31, 1936)	29
[152]		
" "	(251) Petition for Appointment of Appraisers to Appraise Property in Maricopa County on which Receiver has Offer and/or Prospective Purchasers (Reo #123, 292, 333, 357, Rel #2131).....	33C
" "	(252) Order Appointing Appraisers to Appraise Property in Maricopa County (REO #123, 292, 333, 357, REL #2131)	33C
July 21, 1936	(253) Petition for Appointment of Appraisers to Appraise Property in Yuma County on which Receiver has offer and/or Prospective Purchasers (Reo 127, 208)	33B
" "	(254) Order Appointing Appraisers to Appraise Property in Yuma County on which Receiver has Offer and/or Prospective Purchasers (REO 127 and 208)	33B
July 22, 1936	(255) Petition for Authority to Transmit Documents to Ancillary Receiver in Wyoming	27

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
July 22, 1936	(256) Order Authorizing Receiver to Transmit Documents to Ancillary Receiver in Wyoming	
July 23, 1936	(257) Receiver's Inventory and Partial Report.	
" "	(258) Receiver's Exhibits Accompanying Inventory and Report in 3 parts.	
July 24, 1936	(259) Receiver's Petition for Authority to Compromise Indebtedness of Giragi Brothers (Loan 2130)	11
" "	(260) Order Authorizing Receiver to Compromise Indebtedness of Giragi Brothers	11
Aug. 3, 1936	(261) Petition for Authority to Transmit Documents to Oregon	34
" "	(262) Order Authorizing Receiver to Transmit Documents to Oregon	34
" "	(263) Affidavit of Service of Order to Show Cause by Publication	29
" "	(264) Petition for Order Authorizing Sale and Confirmation Thereof of Promissory Notes Secured by Mortgages on Real Property situated in British Columbia	29
" "	(265) Order Authorizing Sale and Confirmation Thereof of Promissory Notes Secured by Mortgages on Real Property Situated in British Columbia, Canada and Other Assets	29
[153]		
" "	(266) Petition of Henry S. McCluskey, Receiver, for Order Authorizing Him to Transmit Abstracts, Deeds, etc. Pertaining to Idaho Loan to Charles A. McLean, His Co-Ancillary Receiver in Idaho	26

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Aug. 3, 1936	(267) Order Authorizing Henry S. McCluskey, Receiver, to Transmit to his Co-cillary Receiver in Idaho, Charles A. McLean, Esquire, Abstract, Deed, Insurance Policy, etc.	26
Aug. 14, 1936	(268) Petition for Authority to Repair Roof on Property in Globe, Arizona	31
" "	(269) Order Authorizing Receiver to Repair Roof on Property in Globe, Arizona....	31
" "	(270) Petition for Authority to Transmit Documents to Oregon	34
" "	(271) Order Authorizing Receiver to Transmit Documents to Oregon	34
" "	(272) Petition for Authority to Transmit Documents to Wyoming	27
" "	(273) Order Authorizing Receiver to Transmit Documents to Wyoming	27
" "	(274) Petition of Henry S McCluskey, Receiver, for Authority to Compromise Loan of E. S. Westover, of Joseph City, Ariz.	10
" "	(275) Order Authorizing Henry S. McCluskey, Receiver, to Compromise Loan of E. S. Westover of Joseph City, Ariz.	10
" "	(276) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (Wilson Property—REO #204—Sold to Henry R. Merchant and wife)	2
" "	(277) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah Corporation, for an Order Authorizing and Directing Him to Sell Real Estate of Said Corporation at Private Sale Should Not Be Granted (Returnable Aug. 28, 1936) (Reo #204)	2

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Aug. 14, 1936	(278) Petition for Authority to File Suit Auxiliary and Ancillary to E-268 Phx.	
" "	(279) Order Authorizing Receiver to File Suit in this Court for Cancellation of Attachment.	
[154]		
Aug. 28, 1936	(280) Affidavit of Service of Order to Show Cause by Publication (REO 204).....	2
" "	(281) Petition for Order Authorizing Sale and Confirmation Thereof of Real Property in Pima County, Arizona (REO #204—Wilson Property to Merchant)	2
" "	(282) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate Located in Pima County, Arizona (Reo #204)	2
" "	(283) Petition for Appointment of Appraisers to Appraise Property in Yuma County on which Receiver has Offer and/or Prospective Purchasers (Reo 125, 126, and 140)	33B
" "	(284) Order Appointing Appraisers to Appraise Property in Yuma County on which Receiver has Offer and/or Prospective Purchaser (Reo 125, 126, and 140)	33B
" "	(285) Petition for Appointment of Appraisers To Appraise Property in Maricopa County on which Receiver has Offers and/or Prospective Purchasers (REC 117, REL 2109, REO 309, REO 331)	33A
" "	(286) Order Appointing Appraisers to Appraise Property in Maricopa County on which Receiver Has Offers and/or Prospective Purchasers (REO 117, REL 2109, REO 308, REO 331).....	33A

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Aug. 28, 1936	(287) Petition for Appointment of Appraisers to Appraise Property in Mesa, Maricopa County, Arizona (REO 40)	33A
" "	(288) Order Appointing Appraisers to Appraise Property in Mesa, Maricopa County, Arizona (REO 40).....	33A
" "	(289) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 362—Mytinger Property to J. Grant Howard)	1
" "	(290) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah corporation, for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale, Should Not Be Granted	1
[155]		
Sept. 2, 1936	(291) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (Reo #349—McDonald Property Sold to J. R. Morrison)	3
" "	(292) Order to Show Cause Why the Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah corporation, for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale Should Not be Granted (Reo #349—McDonald Property Sold to J. R. Morrison).....	3
" "	(293) Petition for Instructions on Offer of Eugene Leonard and Clara T. Leonard, husband and wife, to Compromise Indebtedness REL 2175	7

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Sept. 2, 1936	(294) Order Authorizing Henry S. McCluskey Receiver, to Compromise Indebtedness of Eugene Leonard and Clara T. Leonard, husband and wife (REL 2175)	7
“ “	(295) Petition for Instructions on Offer of O. C. Williams to Compromise Indebtedness (REL 2170)	9
“ “	(296) Order Authorizing Receiver to Compromise Indebtedness of O. C. Williams (REL 2170)	9
Sept. 9, 1936	(297) Affidavit of Service of Order to Show Cause by Publication	1
Sept. 14, 1936	(298) Order Directing Receiver to Disclaim lien on Property by Reason of Judgment.	
“ “	(299) Petition for Order Authorizing Sale and Confirmation Thereof of Real Property in Pima County, Arizona....	1
“ “	(300) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate Located in Pima County, Arizona (Mytinger Property—REO 362)..	1
“ “	(301) Petition for Order Authorizing Receiver to Make Certain Repairs to Property Situated in Pinal County, Arizona	31
“ “	(302) Order Authorizing Receiver to Make Certain Repairs to Property situated in Pinal County, Arizona	31
[156]		
“ “	(303) Petition for Order Authorizing Receiver to Improve Property	31
“ “	(304) Order Authorizing Henry S. McCluskey Receiver, to Improve Property.....	31
“ “	(305) Petition of Henry S. McCluskey, Receiver, Asking for the Appointment of Appraisers to Appraise Property in Maricopa County, Arizona, on which He Has Offers and Prospective Purchasers	33A

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Sept. 14, 1936	(306) Order Appointing Appraisers for Property in Maricopa County, Arizona, on which Henry S. McCluskey, Receiver, Has Offers and/or Prospective Purchasers (REO #183, #292, and #333)	33A
“ “	(307) Petition for Instructions on Offer of Nannie Wilson to Compromise Indebtedness	8
“ “	(308) Order Authorizing Henry S. McCluskey Receiver, to Compromise the Indebtedness of Nannie Wilson.....	8
“ “	(309) Petition for the Appointment of Appraisers to Appraise Property in Maricopa County, Arizona, on Which He Has Offers and Prospective Purchasers (REO 335)	33A
“ “	(310) Order Appointing Appraisers for Property in Maricopa County, Arizona, on Which Henry S. McCluskey, Receiver, Has Offers and/or Prospective Purchasers (REO #335)	33A
“ “	(311) Petition of Henry S. McCluskey, Receiver, for Authority to Accept Quit-Claim Deed from C. G. Madrid and Beatrice Madrid, his wife, in Lieu of Foreclosure (Loan 951)	6
“ “	(312) Order Authorizing Henry S. McCluskey Receiver, to Accept Quit-Claim Deed from C. G. Madrid and Beatrice Madrid, his wife, in Lieu of Foreclosure (Loan 951)	6
“ “	(313) Petition for Instructions on Offer of William Gray Tisdale to Compromise Indebtedness (Loan 1457)	5
“ “	(314) Order Authorizing Receiver to Compromise Indebtedness of William Gray Tisdale	5

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Sept. 21, 1936	(315) Affidavit of Service by Publication (REO 349—McDonald Property sold to J. R. Morrison)	3
“ “	(316) Petition for Order Authorizing Sale and Confirmation Thereof of Real Property in Pima County, Arizona. (REO 349)—McDonald Property	3
“ “	(317) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate Located in Pima County, Arizona	3
Sept. 24, 1936	(318) Petition of Henry S. McCluskey, Receiver Asking for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona (Lots 10, 11, 12 Sweeney Tract)	33A
“ “	(319) Order Authorizing Henry S. McCluskey, Receiver, to Appoint Appraiser for Property in Maricopa County, Arizona	33A
Sept. 28, 1936	(320) Petition to Revoke Leave of Court Granted to Thomas R. Short et ux to Join Receiver as Defendant in Yavapai County.	
“ “	(321) Memoranda of Points and Authorities to Revoke Leave of Court Granted to Thomas R. Short et ux to Join Receiver as Defendant in Yavapai County.	
“ “	(322) Petition for Order Authorizing Receiver to Lease Property from Owner for Use as Clubhouse in Connection with Golf Course Operated by the Receiver, and to Employ Golf Professional (REO #346)	59
“ “	(323) Order Authorizing Henry S. McCluskey, Receiver, to Lease from the Owner Clubhouse in Connection with Operation of Golf Course and to Enter Into a Contract of Employment for the Operation of said Golf Course.....	59

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No.
Sept. 28, 1936	(324) Petition for Order Authorizing Receiver to Improve Property in Lincoln, Nebraska	30
" "	(325) Order Authorizing Receiver to Improve Property in Lincoln, Nebraska..	30
" "	(326) Petition for Authority to Improve Premises (Casa Grande premises).....	31
" "	(327) Order Authorizing Receiver to Improve Premises (Casa Grande Property)	31

[158]

Sept. 28, 1936	(328) Petition of H. S. McCluskey, Receiver to Compromise Loan of E. S. Westover of Joseph City, Arizona, and to Vacate Order Heretofore Made Thereon	10
" "	(329) Order Authorizing H. S. McCluskey to Compromise Loan of E. S. Westover and Vacating Order Previously Made Thereon	10
" "	(330) Petition for Authority to Sell Real Property at Private Sale and for Confirmation thereon and Order to Show Cause (Almendarez Property—REO 183)	4
" "	(331) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah Corporation, for an Order Authorizing and Directing him to Sell Real Estate of said corporation at Private Sale, Should Not be Granted (REO 183)	4
" "	(332) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by Court, and for Order to Show Cause Thereon (REO 333)	14

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Sept. 28, 1936	(333) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah Corporation, for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale, Should Not be Granted (REO 333—Greer Property)	14
“ “	(334) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 140—Snow Property)	16
“ “	(335) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah corporation, for an Order Authorizing and Directing him to Sell Real Estate of said corporation at Private Sale, should not be Granted (REO 140—Snow Property)	16
“ “	(336) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause thereon (REO 292—Smith Property)	20
[159]		
“ “	(337) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, an Utah corporation, for an Order Authorizing and Directing him to Sell Real Estate of said Corporation at Private Sale, Should Not be Granted (REO 292—Smith Property)	20

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Sept. 28, 1936	(338) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 359—Rohe Property)	21
“ “	(339) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver, for Order Authorizing and Directing Him to Sell Real Estate of said corporation at Private Sale, Should Not be Granted (REO 359—Rohe Property)	21
Sept. 29, 1936	(340) Hearing on Original Proceedings—Nine Exhibits Filed, Four Witnesses Sworn, Plaintiff moves for Decree. Attorney Moore moves for \$50.00 Attor-torey's Fees.	
Oct. 3, 1936	(341) Findings of Fact and Conclusions of Law (Approximately 500 pages) and Decree, and Confirming Appointment of Permanent Receiver.	
Oct. 5, 1936	(342) Petition of Henry S. McCluskey, Receiver Asking for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona	33A
“ “	(343) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona	33A
“ “	(344) Petition for Authority to Accept Quit-Claim Deed from Delbert Jones (REL 1448)	17
“ “	(345) Order Authorizing Receiver to Accept Quit-Claim Deed from Delbert Jones	17
“ “	(346) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon	19

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 5, 1936	(347) Order to Show Cause Why Petition of of Receiver for Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted REO 123—Temple Property	19
[160]		
" "	(348) Affidavit of Service of Petition to Revoke Leave Heretofore Granted to Joint Receiver as Defendant.....	134A
" "	(349) Affidavit of Service of Petition to Re- voke Lease Heretofore Granted to Join Receiver as Defendant (See McClus- key vs. Barrett suit)	134A
Oct. 12, 1936	(350) Affidavit of Service of Order to Show Cause by Publication (REO 183) (Al- mendarez Property to Stauffer).....	4
" "	(351) Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Maricopa County, Ariz- ona (REO 183—Almendarez Property to Stauffer)	4
" "	(352) Order Authorizing Sale and Con- firmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (REO 190 — Almendarez Property to Stauffer)	4
" "	(353) Affidavit of Service of Order to Show Cause by Publication (REO 333— Greer to Talbott)	14
" "	(354) Petition for Order Authorizing Sale and Confirmation thereof, of Real Property in Maricopa County, Ariz- ona, (REO 333—Greer Property to Talbott)	14
" "	(355) Order Authorizing Sale and Con- firmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (Reo 333—Greer Property to Talbott)	14

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 12, 1936	(356) Affidavit of Service of Order to Show Cause by Publication (REO 292) Smith Property to Findley	20
" "	(357) Petition for Order Authorizing Sale and Confirmation thereof, of Real Property in Maricopa County, Arizona (REO 292—Smith Property to Findley)	20
" "	(358) Order Authorizing Sale and Confirmation Thereof, of Certain Real Estate in Maricopa County, State of Arizona (Reo 292—Smith Property to Findley)	20
" "	(359) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale Subject to Confirmation by the Court, and for Order to Show Cause Thereon	18
" "	(360) Order to Show Cause Why Petition of Receiver for Order Authorizing and Directing Him to Sell Real Estate of Said Corporation at Private Sale Should Not Be Granted (REO 198—Fickas to Amend)	18
[161]		
" "	(361) Petition for Order Authorizing Receiver to Improve Property	31
" "	(362) Order Authorizing Henry S. McCluskey Receiver to Improve Property (Lot 1 Block 7, Vel Ru, Maricopa County, Arizona)	31
Oct. 15, 1936	(363) Petition for Order Authorizing Receiver to Connect Properties with City Water System and to Sell Existing Water System Supplying Properties and to Sell Pumps and Equipment (Reo 192, 195, 200 and REL 1698, 1772, 1700, 1771, Reo 345).....	31

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 15, 1936 (364)	Order Authorizing Receiver to Connect Properties with City Water System, and to Sell Existing Water System Supplying Properties and to Sell Pumps and Equipment	31
Oct. 19, 1936 (365)	Petition for Authority to Grant Easement for Power and Telephone Wires (REO 358)	74
" " (366)	Order Authorizing Receiver to Grant Easement for Power and Telephone Wires (REO 358)	74
" " (367)	Petition of Henry S. McCluskey, Receiver for Order Authorizing Him to Transmit Abstract to Charles A. McLean, his Co-Ancillary Receiver in Idaho (REO 558 Leaper)	26
" " (368)	Order Authorizing Henry S. McCluskey, Receiver, to Transmit Abstract to his Co-Ancillary Receiver in Idaho, Charles A. McLean, Esq. (REO 558—Leaper)	26
" " (369)	Petition of Henry S. McCluskey for Authority to Transmit Master's Commissioner's Certificate of Sale to Boyd, Receiver in Wyoming	27
" " (370)	Order Authorizing Henry S. McCluskey to Transmit Master's Commissioner's Certificate of Sale to Boyd, Receiver in Wyoming	27
" " (371)	Affidavit of Service of Order to Show Cause by Publication (Reo 140—Snow Property sold to Henderson)....	16
" " (372)	Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Yuma, Yuma County, Arizona (Reo 140)	16
" " (373)	Order Authorizing Sale and Confirmation Thereof of Real Property in Yuma (REO 140) (Snow Property to Henderson)	16

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 19, 1936	(374) Petition for Authority to Improve Property	31
" "	(375) Order Authorizing Receiver to Improve Property	31
" "	(376) Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 123—Temple Property to Aros)	19
" "	(377) Order Authorizing Sale and Confirmation Thereof of Real Property in Maricopa County, Arizona (REO 123 Temple Property sold to Aros)....	19
" "	(378) Affidavit of Service of Order to Show Cause by Publication (REO 123).....	19
" "	(379) Petition of Receiver Asking for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona	33A
" "	(380) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona	33A
" "	(381) Affidavit of Service of Order to Show Cause by Publication (REO 359 Rohe Property to Lindblom)	21
" "	(382) Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Navajo County, Arizona (REO 359—Rohe Property to Lindblom)	21
" "	(383) Order Authorizing Sale, and Confirmation Thereof, of Certain Real Estate Located in Navajo County, Arizona (REO 359—Rohe Property to Lindblom)	21
" "	(384) Petition of Receiver for Authority to Accept Quit-Claim Deed from Aubrey A. Moody and Mary G. Moody in Lieu of Foreclosure (REL 1668)	22

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 19, 1936	(385) Order Authorizing Receiver to Accept Quit-Claim Deed from Aubrey A. Moody and Mary G. Moody, his wife, in lieu of Foreclosure (REL 1668).....	22
“ “	(386) Petition for Authority to Sell Real Estate in Idaho	26
“ “	(387) Order Confirming Sale of Real Estate by McCluskey and McLean, Co-Ancillary Receivers of Intermountain Building & Loan Association in the State of Idaho	26
		[163]
“ “	(388) Petition for Authority to Transmith Abstract to Receiver in Idaho	26
“ “	(389) Order Authorizing Receiver to Transmit Abstract to Receiver in Idaho.....	26
“ “	(390) Petition for Order Authorizing Receiver to Execute Release of Mortgage on Property Situated in British Columbia	29
“ “	(391) Order Authorizing Receiver to Execute Release of Mortgage on Property Situated in British Columbia, Canada	29
Oct. 26, 1936	(392) Affidavit of Service of Order to Show Cause by Publication (REO 198—Fickas Property to R. S. Amend).....	18
“ “	(393) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 198—Fickas Property to R. S. Amend)	18
“ “	(394) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (REO 198—Fickas Property to Amend)	18

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 19, 1936	(374) Petition for Authority to Improve Property	31
" "	(375) Order Authorizing Receiver to Improve Property	31
" "	(376) Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 123—Temple Property to Aros)	19
" "	(377) Order Authorizing Sale and Confirmation Thereof of Real Property in Maricopa County, Arizona (REO 123 Temple Property sold to Aros)....	19
" "	(378) Affidavit of Service of Order to Show Cause by Publication (REO 123).....	19
" "	(379) Petition of Receiver Asking for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona	33A
" "	(380) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona	33A
" "	(381) Affidavit of Service of Order to Show Cause by Publication (REO 359 Rohe Property to Lindblom)	21
" "	(382) Petition for Order Authorizing Sale and Confirmation Thereof, of Real Property in Navajo County, Arizona (REO 359—Rohe Property to Lindblom)	21
" "	(383) Order Authorizing Sale, and Confirmation Thereof, of Certain Real Estate Located in Navajo County, Arizona (REO 359—Rohe Property to Lindblom)	21
" "	(384) Petition of Receiver for Authority to Accept Quit-Claim Deed from Aubrey A. Moody and Mary G. Moody in Lieu of Foreclosure (REL 1668)	22

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 19, 1936	(385) Order Authorizing Receiver to Accept Quit-Claim Deed from Aubrey A. Moody and Mary G. Moody, his wife, in lieu of Foreclosure (REL 1668).....	22
“ “	(386) Petition for Authority to Sell Real Estate in Idaho	26
“ “	(387) Order Confirming Sale of Real Estate by McCluskey and McLean, Co-Ancillary Receivers of Intermountain Building & Loan Association in the State of Idaho	26
[163]		
“ “	(388) Petition for Authority to Transmith Abstract to Receiver in Idaho	26
“ “	(389) Order Authorizing Receiver to Transmit Abstract to Receiver in Idaho.....	26
“ “	(390) Petition for Order Authorizing Receiver to Execute Release of Mortgage on Property Situated in British Columbia	29
“ “	(391) Order Authorizing Receiver to Execute Release of Mortgage on Property Situated in British Columbia, Canada	29
Oct. 26, 1936	(392) Affidavit of Service of Order to Show Cause by Publication (REO 198—Fickas Property to R. S. Amend).....	18
“ “	(393) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 198—Fickas Property to R. S. Amend)	18
“ “	(394) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (REO 198—Fickas Property to Amend)	18

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Oct. 26, 1936	(395) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (Reo 208 — White Property)	24
“ “	(396) Order to Show Cause Why Petition of Receiver for Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not be Granted (Reo 208 White Property)	24
“ “	(397) Petition of Henry S. McCluskey, Receiver, for Order Authorizing Him to Transmit Documents to Charles A. McLean, His Co-Ancillary Receiver in Idaho	26
“ “	(398) Order Authorizing Receiver to Transmit Documents to Charles A. McLean His Co-Ancillary Receiver in Idaho (REL 148, 212, 250, 300, 317, 422, 597, 607, 672, 680, 1608)	26
“ “	(399) Petition for Appointment of Appraisers to Appraise Property in Maricopa County (REO 355—Stafford Property)	33A
“ “	(400) Order Appoint Appraisers to Appraise Property in Maricopa County (REO 355)	33A
[164]		
“ “	(401) Petition for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona (REO 346)	35A
“ “	(402) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona, (REO 346)	33A
Nov. 2, 1936	(403) Petition for Appointment of Appraisers to Appraise Property in Pima County, Arizona (REO 206) (REO 348)	33E

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Nov. 2, 1936	(404) Order Appointing Appraisers to Appraise Property in Pima County, Arizona (REO 206 and 348)	33E
" "	(405) Petition for Authority to Transmit Abstract to John T. Boyd, Receiver in Wyoming	27
" "	(406) Order Authorizing and Directing Receiver to Transmit Abstract to John T. Boyd, Receiver in Wyoming.....	27
" "	(407) Petition for Order Authorizing Payment of Attorneys Fees to Wilson, Wood & Compton	57
" "	(408) Order Authorizing Receiver to Pay Attorneys Fees to Messrs Willson, Wood & Compton, Attorneys in Flagstaff	57
" "	(409) Petition of Receiver to Transmit Abstracts to his Attorneys in Oregon (REL 1755, REO 155, REL 1193).....	34
" "	(410) Order Authorizing and Directing Receiver to Transmit Abstracts to Messrs. Wilson & Reilly, his Attorneys in Oregon	34
" "	(411) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and For Order to Show Cause Thereon (Westward Ho Garage—Reo 120)	53
" "	(412) Order to Show Cause Why Petition of Henry S. McCluskey, Receiver of Intermountain Building & Loan Association, for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale, Should Not Be Granted (Westward Ho Garage—REO 120)	53

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Nov. 2, 1936	(413) Petition for Order Extending Time for Presentation of Claims for Three Months from November 22, 1936.....	35
“ “	(414) Order Extending Time for Presentation of Claims	35
[165]		
“ “	(415) Petition for Appointment of Appraisers to Appraise Property in Maricopa County (S 65 ft of Lot 2, Block 6, Smith Place)	33A
“ “	(416) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona, (S 65 ft of Lot 2, Block 6, Smith Place)	33A
Nov. 9, 1936	(417) Receiver's Points and Authorities on Motion for Intervention Filed by Wm. Ebell	N
“ “	(418) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 355—Stafford Property to Weiner)	54
“ “	(419) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale, Should Not Be Granted (REO 355—Stafford Property sold to Weiner).....	54
Nov. 16, 1936	(420) Petition for Authority to Transmit Abstract etc. to Receiver in Wyoming	27
“ “	(421) Order Authorizing Receiver to Transmit Abstract, etc. to Receiver in Wyoming	27
“ “	(422) Affidavit of Service of Order to Show Cause by Publication (REO 208—White Property to Schott).....	24
“ “	(423) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Yuma County, Arizona (REO 208—White Property to Schott)	24

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Nov. 16, 1936	(424) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Yuma County, Arizona (REO 208— White Property sold to Schott).....	24
Nov. 20, 1936	(425) Petition of Receiver for Approval of Bringing Suit and Authorizing Fil- ing of Amended Complaint	62
“ “	(426) Order Approving Bringing of Suit Against M. E. Waddoups and Others, to Set Aside Conveyance of Real Prop- erty in Maricopa County, Arizona, and Directing the Filing of an Amended Complaint by said Receiver	62
“ “	(427) Petition for Authority to Transmit Notes, Mortgages, Abstracts, etc. to Receiver in Wyoming	27
“ “	(428) Order Authorizing Receiver to Trans- mit Notes, Mortgages, Abstracts, etc. to Receiver in Wyoming	27

[166]

Nov. 23, 1936	(429) Affidavit of Service of Order to Show Cause by Publication (REO 355, Staf- ford Property to Weiner)	54
“ “	(430) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Ariz- ona (REO 355 Stafford Property to Weiner)	54
“ “	(431) Order Authorizing Sale and Con- firmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (REO 355—Stafford Property to Weiner)	54
“ “	(432) Petition of Henry S. McCluskey and Chas. A. McLean, Co-Ancillary Re- ceivers of Intermountain Building & Loan Association, in the State of Idaho, for Authority to Sell Real Property in Idaho	26

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Nov. 23, 1936	(433) Order Confirming Sale of Real Estate by Henry S. McCluskey and Charles A. McLean Co-Ancillary Receivers of Intermountain Building & Loan Association in the State of Idaho.....	26
Nov. 30, 1936	(434) Motion to Strike the Motion for Order to Show Cause filed by Dorothy Owens	N
" "	(435) Motion to Strike the Motion for Order to Show Cause filed by Shrewsbury....	N
Dec. 3, 1936	(436) Report of Offer Made by The Texaco Company for Westward Ho Garage by Receiver	53
Dec. 7, 1936	(437) Affidavit of Service of Order to Show Cause by Publication (REO 120).....	53
" "	(438) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 206—Dutton to Berry)	55
" "	(439) Order to Show Cause Why Petition of Receiver for Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted (REO 206 — Dutton Property to Berry)	55
" "	(440) Petition for Authority to Transmit Abstracts to Wyoming	27
" "	(441) Order Authorizing Receiver to Transmit Abstracts to Receiver in Wyoming	27
" "	(442) Petition for Authority to Improve Property (Loan 2287—Hutson Property)	57
" "	(443) Order Authorizing Receiver to Improve Property (loan 2287—Hutson Property)	57

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Dec. 11, 1936 (444)	Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 120)	53
Dec. 14, 1936 (445)	Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Maricopa County, State of Arizona (REO 120)	53
Dec. 15, 1936 (446)	Petition for Order Authorizing Receiver to Execute Contracts, etc., in Canada	29
“ “ (447)	Order Authorizing H. S. McCluskey, Receiver, to execute Contracts relative to Assets in Canada	29
Dec. 18, 1936 (448)	Receiver's Reply to Points and Authorities of William Ebell	
Dec. 21, 1936 (449)	Affidavit of Service of Order to Show Cause by Publication (REO 206).....	55
“ “ (450)	Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Pima County, Arizona (Reo 206—Dutton Property to Berry)	55
“ “ (451)	Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Pima County, Arizona (REO 206—Dutton Property to Berry)	55
“ “ (452)	Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon REO 126	63
“ “ (453)	Order to Show Cause Why Petition of Receiver for Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not be Granted (REO 126—Williams Property)	63
Dec 28, 1936 (454)	Petition for Instructions on Offer of Lawrence C Spain and Madeline L Spain his wife, to Compromise Indebtedness	71

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Dec. 28, 1936	(455) Order Authorizing Compromise Settlement with Lawrence C. Spain and Madeline L. Spain, his wife	71
" "	(456) Petition for Authority to Improve Property	31
" "	(456) Order Authorizing Receiver to Improve Property	31
[168]		
" "	(459) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 357—Cambridge Property to Holmes)	64
" "	(460) Order to Show Cause Why Petition of Receiver for Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should not be Granted (REO 357—Cambridge Property to Holmes)	64
Jan. 4, 1937	(461) Petition for Instructions and Order to Execute Deed (REC 161)	65
" "	(462) Instructions and Order to Execute Deed (REC 161—Court)	65
Jan. 6, 1937	(463) Petition for Authority to Make Trip to Oregon and Prosecute Action	
" "	(464) Order Authorizing Receiver to Make Trip to Oregon and Prosecute Action.	
Jan. 11, 1937	(465) Petition for Authority to Repair and Improve Property (Loan 2124)	31
" "	(466) Order Authorizing Receiver to Repair and Improve Property (Loan 2124)....	31
" "	(467) Petition for Authority to Repair and Improve Property (REL 2287).....	57
" "	(468) Order Authorizing Receiver to Repair and Improve Property (REL 2287)	57
" "	(469) Petition on Allowing Attorney's Fees and Ordering Receiver to Pay Same....	67
" "	(470) Affidavit of Service by Publication (REO 126—Williams to Dart)	63

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Jan. 11, 1937	(471) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Yuma County, Arizona (REO 126—Williams to Dart)	63
“ “	(472) Order Authorizing Sale and Confirmation Thereof of Certain Real Estate in Yuma County, Arizona (REO 126 Williams Property sold to Dart).....	63
Jan. 18, 1937	(473) Affidavit of Service of Order to Show Cause by Publication (REO 357) (Cambridge Property to Holmes).....	64
“ “	(474) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona, (REO 357) (Cambridge Property to Holmes)	64
[169]		
“ “	(475) Order Authorizing Sale and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 357) (Cambridge Property to Holmes).....	64
Feb. 1, 1937	(476) Petition for Authority to Pay Loan (Re Loan #4 from The First Trust Co., Lincoln, Nebraska)	30
“ “	(477) Order Authorizing Payment of Loan (REL #4 from The First Trust Co., Lincoln, Nebraska)	30
“ “	(478) Petition for Authority to Transmit Documents and Papers to Wyoming	
“ “	(479) Order Authorizing Receiver to Transmit Documents and Papers to Wyoming	
Feb. 8, 1937	(480) Petition for Appointment of Appraisers to Appraise Property in Maricopa County (REO 187 and 335)	33A
“ “	(481) Order Appointing Appraisers to Appraise Property in Maricopa County Arizona (REO 187 and 335).....	33A

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Feb. 15, 1937	(482) Petition for Authority to Accept Quit-Claim Deed of Henry H. Seorse and wife in Lieu of Foreclosure.....	68
“ “	(483) Order Authorizing Receiver to Accept Quit-Claim Deed of Henry H. Seorse and wife in Lieu of Foreclosure.....	68
“ “	(484) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 127) (Yuma Sale to V. L. Ward)	69
“ “	(485) Order to Show Cause Why Petition of Receiver for An Order Authorizing and Directing Him to Sell Real Estate of Said Corporation at Private Sale, Should Not Be Granted	69
Mar. 1, 1937	(486) Affidavit of Service of Order to Show Cause by Publication (REO 127) (Yuma Sale to V. L. Ward).....	69
“ “	(487) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Yuma County, Arizona (REO 127—V. L. Ward)	69
“ “	(488) Order Authorizing Sale and Confirmation Thereof, of Real Property in Yuma County, Arizona (REO 127—Ward)	69

[170]

Feb. 15, 1937	(489) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 187—Robert L. Shepherd)	70
“ “	(490) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate of Said Corporation at Private Sale, Should Not Be Granted (REO 187)	70

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Mar. 1, 1937	(491) Affidavit of Service of Order to Show Cause by Publication (REO 187).....	70
" "	(492) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 187—Shepherd)	70
" "	(493) Order Authorizing Sale and Confirmation Thereof, of said Real Property in Maricopa County, Arizona (REO 187)	70
" "	(494) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, in Maricopa County, Arizona, Subject to Confirmation by the Court, and for Order to Show Cause Thereof (REO 335)	73
" "	(495) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate of said Corporation at Private Sale, Should Not Be Granted (REO 335)....	73
" "	(496) Petition for Appointment of Appraisers to Appraise Property in Maricopa County, Arizona (REO 190—REL 2289)	33A
" "	(497) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona, (REO 190—REL 2289).....	33A
" "	(498) Petition for Order Requiring Directors of Intermountain Bldg. & Loan Association to Hold Directors Meeting	N
" "	(499) Order Directing and Requiring Directors of Intermountain Building & Loan Association to Hold Directors Meeting	N
" "	(500) Petition for Order Authorizing Sale and/or Exchange of Office Furniture and Equipment	40
" "	(501) Order Authorizing Sale and/or Exchange of Office Furniture and Equipment	40

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No.
Mar. 1, 1937	(502) Petition for Appointment of Appraisers to Appraise property in Maricopa County, Arizona (REO 358)	33A
" "	(503) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona (REO 358)	33A
" "	(504) Petition for Authority to Execute Quit-Claim Deed in Favor of R. Zahn to Clear Title to Property in the City of Portland	34
" "	(505) Order Authorizing McCluskey to Execute and Deliver Quit Claim Deed in Order to Clear Title to Lots 11 and 12 in Block 1, Hannun's Addition to the City of Portland	34
" "	(506) Petition for Authority to Lease Hotel Property at Wellton, Arizona.....	71
" "	(507) Order Authorizing Receiver to Lease Hotel Property at Wellton, Arizona....	71
" "	(508) Petition for Authority to Bring Suit Against Fidelity & Deposit Company of Maryland	G
" "	(509) Order Authorizing Receiver to Bring Suit Against Fidelity & Deposit Co. of Maryland	G
Mar. 8, 1937	(510) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 358—Kulp Sale)	74
" "	(511) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted (REO 358—Kulp Sale).....	74
" "	(512) Petition for Appointment of Appraisers to Appraise Property in Gila County, Arizona (REO 182)	33F

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No
Mar. 8, 1937	(513) Order Appointing Appraisers to Appraise Property in Gila County, Arizona, (REO 182)	33F
“ “	(514) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 190—Dail Sale)	75
“ “	(515) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted (REO 190—Dail Sale).....	75
[172]		
“ “	(516) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon (REO 308—Waterman Sale)	76
“ “	(517) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted (REO 308—Waterman Sale)	76
“ “	(518) Petition for Appointment of Appraisers to Appraise Property in Pinal County, Arizona (REO 180).....	33G
“ “	(519) Order Appointing Appraisers to Appraise Property in Pinal County, Arizona (REO 180)	33G
“ “	(520) Petition to Modify Order Authorizing Lease of Hotel Property at Wellton, Arizona	71
“ “	(521) Order Authorizing Receiver to Modify Order Authorizing Lease of Hotel Property at Wellton, Arizona	71

Exhibit No. XIV—(Continued.)

Filing Date	Instrument	File No
Mar. 11, 1937 (522)	Order Directing Directors of Inter- mountain Building and Loan Associa- tion to Hold Meeting and Appoint Stanley Jerman Attorney in Fact for Corporation	N
Mar. 15, 1937 (523)	Affidavit of Service of Order to Show Cause by Publication (REO 335— Hooper Sale)	73
Mar. 22, 1937 (524)	Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Ariz- ona (REO 335—Hooper Sale).....	73
“ “ (525)	Order Authorizing Sale and Confirma- tion Thereof of Real Property in Mari- copa County, Arizona (Hooper Sale —REO 335)	73
“ “ (526)	Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Ariz- ona (REO 358—Kulp Sale)	74
“ “ (527)	Affidavit of Service of Order to Show Cause by Publication (REO 358, Kulp)	74
“ “ (528)	Order Authorizing Sale and Confirma- tion Thereof of Real Property in Maricopa County, Arizona (REO 358 —Kulp Sale)	74
[173]		
“ “ (529)	Affidavit of Service of Order to Show Cause by Publication (REO 190).....	75
“ “ (530)	Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Ariz- ona (REO 190—Dail Sale)	75
“ “ (531)	Order Authorizing Sale and Confirma- tion Thereof of Real Property in Maricopa County, Arizona (REO 190 —Dail Sale)	75

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No
Mar. 22, 1937	(532) Affidavit of Service of Order to Show Cause by Publication (REO 308).....	76
“ “	(533) Petition for Order Authorizing Sale, and Confirmation Thereof, of Real Property in Maricopa County, Arizona (REO 308—Waterman Sale).....	76
“ “	(534) Order Authorizing Sale and Confirmation Thereof of Real Property in Maricopa County, Arizona (REO 308—Waterman Sale)	76
“ “	(535) Petition for Appointment of Appraisers ot Appraise Property in Maricopa County, Arizona (REO 325)	33A
“ “	(536) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona (REO 325)	33A
“ “	(537) Petition for Appointment of Appraisers to Appraise Property in Maricopa County Arizona	
“ “	(538) Order Appointing Appraisers to Appraise Property in Maricopa County, Arizona	
“ “	(539) Petition for Appointment of Appraisers to Appraise Property in Pinal County, Arizona	
“ “	(540) Order Appointing Appraisers to Appraise Property in Pinal County, Arizona	
“ “	(541) Petition for Authority to Compromise Indebtedness of C. G. Madrid and wife	6
“ “	(542) Order Appointing Appraisers to Appraise Property of C. G. Madrid and wife	6
“ “	(543) Inventory and Partial Report No. 2	

Exhibit No. XIV.—(Continued)

Filing Date	Instrument	File No
Mar. 29, 1937	(544) Petition for Order Authorizing Receiver to Sell Real Property at Private Sale, Subject to Confirmation by the Court, and for Order to Show Cause Thereon	
" " "	(545) Order to Show Cause Why Petition of Receiver for an Order Authorizing and Directing Him to Sell Real Estate at Private Sale Should Not Be Granted	
" "	(546) Petition for Appointment of Appraisers to Appraise Property in Yuma County, Arizona	
" "	(547) Order Appointing Appraisers to Appraise Property in Yuma County, Arizona	
Mar. 31, 1937	(548) Petition for Order Approving and Ratifying Expenditures Heretofore Made on Wellton Hotel Property.....	71
" "	(549) Order Approving and Ratifying Expenditures Heretofore Made by Receiver on Wellton Hotel Property (Signed April 5, 1937)	71

[175]

EXHIBIT No. XVMISCELLANEOUS CASES

44001—H. S. McCluskey, versus Waddoups, M. E. et al. (This is a suit to set aside the deed fraudently conveying all of Waddoups' property to Beneficial Investment Company and Beneficial Investment Company to Edward E. Jenkins and Edna T. Jenkins, his wife. Elaborate on this suit as to total

amount, etc., and importance to creditors of association). (Maricopa)

9131—H. S. McCluskey, versus County of Yuma. This is a suit to recover taxes in the sum of \$68.72). Judgment was entered February 18, 1937. (Yuma).

H. S. McCluskey, versus Navajo County, et al. This is a suit to recover \$516.27. The moneys paid for taxes were misapplied to other lands in Navajo County not owned by this association. (Navajo)

44055—H. S. McCluskey, versus Henderson, Lannas S. et al. Complaint in mandamus filed. (This suit is in regard to taxes paid on the Lynn Lockhart property in the sum of \$411.28). (Maricopa)

13766—H. S. McCluskey, versus Short, Thomas R. et al. Foreclosure complaint filed. Interpleader suit filed against H. S. McCluskey and R. O. Barrett to determine ownership of the note and mortgage sought to be foreclosed. (Yavapai)

JUSTICE COURT

H. S. McCluskey, versus Parks, Henry. Complaint filed in West Phoenix Precinct for delinquent rent in the sum of \$131.00. No service made on Parks as he is out of the state.

H. S. McCluskey, versus Burnham, W. L. Suit in the justice court at Mesa to recover \$23.50 delinquent rent. This case is ready to close.

FEDERAL COURT

E-268 Phoenix—H. S. McCluskey, versus Fidelity & Deposit Company, et al. The original complaint in this suit on the bonds of officers was filed in the Superior Court. Later this suit was moved to the Federal Court.

(Suits filed against H. S. McCluskey, in the main suit.)

E-268 Phoenix—Southwestern Fire Insurance Company versus H. S. McCluskey. This is a suit for offset.

E-268 Phoenix—J. H. Shrewsbury, versus H. S. McCluskey. This is a suit for offset.

E-268 Phoenix—Owens, Preston versus H. S. McCluskey. This is a suit for offset. [176]

42100-a—Y. C. White, as Superintendent of Banks for the State of Arizona, and Receiver of the Intermountain Building and Loan Association of Arizona, a corporation, versus Ralph Murphy, Winifred E. Murphy, et al, and Henry S. McCluskey, received of the Intermountain Building and Loan Association of Utah. H. S. McCluskey was named as party defendant in this suit in order that the plaintiff could get clear title to property set up in this foreclosure complaint.

SUPREME COURT

3780—Forst, Mathilda J. versus H. S. McCluskey. In this case, Mathilda J. Forst recovered judgment against the association after the federal court had taken jurisdiction of the assets. She then garnished

the funds of the association in the Valley National Bank. H. S. McCluskey moved to quash the garnishment. Motion granted. \$2300.00 which has been set aside should be restored to the corpus of the estate's funds. Statement of costs for appellee was filed in the Supreme Court in the sum of \$121.05. Mathilda J. Forst has filed a claim and the amount of costs should be deducted before any payment is made to her. [177]

[Endorsed]: Rec's Exhibit No. 1 Admitted and Filed Sept. 20, 1937.

[Endorsed]: Filed Sep. 3, 1937. [178]

[Title of District Court and Cause.]

ORDER APPROVING FINAL ACCOUNT OF
HENRY S. McCLUSKEY, RECEIVER OF
INTERMOUNTAIN BUILDING AND
LOAN ASSOCIATION; GRANTING HIS
PETITION FOR DISCHARGE AND EX-
EMPTING HIS BOND; AND ORDER EX-
TENDING TIME FOR FIXING AND AL-
LOWING COMPENSATION

Henry S. McCluskey having filed herein his final account and report as Receiver of Intermountain Building and Loan Association, a corporation, together with his petition for discharge and the exoneration of his bond and the allowance to him of additional compensation; and an order to show cause having been issued thereon, service of which

has been duly made by delivering a copy thereof, together with a copy of said final account and report to Harry W. Hill, Receiver of Intermountain Building and Loan Association, a corporation, and by delivering to James R. Moore, Attorney of record in this action for defendant, Intermountain Building and Loan Association, a copy of said order and a copy of said final account and report, and upon all creditors and parties interested in these proceedings by publishing said order to show cause twice in the Arizona Republic, a newspaper of general circulation published in Phoenix, Arizona; all being done in accordance with said order to show cause issued by this Court on the 3rd day of September, 1937, wherein the time was fixed for [179] a hearing upon said final account and report and petition of said Henry S. McCluskey on the 20th day of September, 1937.

And said matter coming on regularly for hearing on said 20th day of September, 1937 and no objection having been filed to said account, report and petition, and the Court having examined said account and report, and the said Henry S. McCluskey having introduced testimony as to the reasonable value of his services as Receiver, and the Court having taken said matters under advisement and now being advised in the premises,

It Is Ordered and Decreed, that said final account and report is approved and allowed, and

It Is Further Ordered, that the petition of said Henry S. McCluskey praying that he be discharged as such Receiver and his bond exonerated is hereby

granted, and he is discharged as such Receiver and his bond exonerated.

In reference to petitioner's request for an immediate allowance to him of additional compensation, the Court is of the opinion that such suggestion is clearly inadmissable at this time.

Assets of the corporation, to a large amount consisting of both real and personal property, will have to be converted into cash and properly applied and distributed before the termination of the receivership, and it is impossible, at this stage of the proceedings, to foresee with any degree of accuracy, what questions or complications may arise in the case before it reached a conclusion. Future contingencies, at present undeterminable, will undoubtedly arise directly related to the acts of petitioner as Receiver. When these are realized they must, of necessity, enter into and largely control any fair and equitable allowance. A final adjustment of compensation, at the close [180] of the receivership, will afford ample opportunity for the allowance to petitioner of any excess of value of his services over the amount he has already received, and at the same time will insure to creditors of the estate an allowance of only such fees as shall be fair and just to them.

The Court, therefore, reserves action on petitioner's claim for additional compensation until the conclusion of the suit. It is so ordered.

Dated this 12th day of October, 1937.

DAVE W. LING

Judge

[Endorsed]: Filed Oct 12 1937. [181]

[Title of District Court and Cause.]

ORDER TO SHOW CAUSE

Thomas W. Nealon, having filed herein his verified petition for allowance of attorney's fees for legal services rendered and expenses incurred in the preparation, institution and trial of the above entitled suit, wherein he prayed that this Court allow to him as solicitor for the plaintiffs such sum as it should deem reasonable compensation to him for his services rendered in connection with the preparation, institution and trial of said cause, including the services rendered by him on the appeal from the interlocutory decree rendered therein to the Ninth Circuit Court of Appeals, and for his services in opposing the petition of the defendant and J. A. Malia to the Supreme Court of the United States for a writ of certiorari to review the proceedings in the District Court and Circuit Court of Appeals, such allowance to be on the basis of one-half of such sum as the Court may find to be a reasonable sum for all legal services rendered by the solicitors for the plaintiffs in the premises, and for an allowance of out-of-pocket expenses necessarily incurred by said petitioner in the premises; and that

this Court establish and fix a lien upon the assets now in the hands of the Receiver of the Intermountain Building & Loan Association, an Utah corporation, for such allowance as it may make to said petitioner upon said petition for services rendered and expenses incurred, and that said Receiver be authorized and directed to pay the amount of such allowances to said petitioner from the fund of the receivership estate now in his possession, and that each of the 2,792 creditors of said Association who have elected to accept the benefit of said petitioner's efforts bear their proportion of such allowance; and that in the event this Court should deem it inadvisable at this time to pay to said petitioner the full amount which he would be entitled to for his services as solicitor for the plaintiffs in said proceedings, that the Court made an allowance to said petitioner for the amount of the out-of-pocket expenses incurred by him and an allowance upon account of the services rendered by him; and the Court being fully advised in the premises,

It Is Hereby Ordered that the defendant in the above entitled suit and all of its creditors, Harry W. Hill, Esq., Receiver of the defendant corporation, and all persons interested in said suit file with this Court in the office of the Clerk of this Court at Phoenix, Arizona, any objections they may have to the granting of said petition on or before twelve days from the date hereof, and it is further ordered that said petition of said Thomas W. Nealon be heard upon its merits on the 15 day of November,

1937, at 10 o'clock A.M., or as soon thereafter as the parties can be heard.

It Is Further Ordered that service of this order be made upon Harry W. Hill, Esq., Receiver of Intermountain Building & Loan Association, *and* Utah corporation, by delivering to and leaving with said Harry W. Hill, Esq., a true copy hereof, together with a true copy of said petition, at his office, No. 313 Luhrs Building, Phoenix, Arizona, and also upon his counsel of record Alexander B. [227] Baker, L. B. Whitney and Lawrence L. Howe, at their offices in the Luhrs Tower, Phoenix, Arizona.

It Is Further Ordered that service of this order be made upon the defendant, Intermountain Building & Loan Association, a corporation, by delivering to and leaving with James R. Moore, Esq., attorney of record in this suit for said defendant, at his office in the City of Phoenix, Arizona, a true copy of this order, together with a true copy of said petition.

It Is Further Ordered that service of this order be made upon all creditors of the Intermountain Building & Loan Association, an Utah corporation, and upon all parties interested in said proceeding, by publishing this order 2 times in the Arizona Republic, a newspaper of general circulation, published in Phoenix, Maricopa County, Arizona.

Dated at Phoenix, Arizona, this 15 day of October, 1937.

DAVE W. LING

Judge of United States
District Court

Received copy of Order to Show Cause to which is attached copy of Petition of Thomas W. Nealon for Allowance of Attorney's Fees for Legal Services Rendered and Expenses Incurred in the Preparation and Trial of the above Entitled Suit, this 15 day of October, 1937.

JAMES A. MOORE

Attorney for Defendant In-
termountain Building &
Loan Association

HARRY W. HILL

Receiver of Intermountain
Building & Loan Associa-
tion

BAKER & WHITNEY

LAWRENCE L. HOWE

Attorneys for Receiver

[Endorsed]: Filed Oct 15 1937. [228]

[Title of District Court and Cause.]

AFFIDAVIT OF SERVICE OF ORDER
TO SHOW CAUSE

State of Arizona,
County of Maricopa—ss.

Thomas W. Nealon, being first duly sworn on oath, deposes and says:

That on the 15th day of October, 1937, he received from the above named court an Order to Show Cause in the above entitled action issued on said 15th day of October, 1937.

That in accordance with the terms of said Order to Show Cause he duly served the same upon all creditors of the Intermountain Building & Loan Association, an Utah corporation, and upon all parties interested in said proceedings, by causing a true copy of said Order to Show Cause to be published two times in the Arizona Republic, a newspaper of general circulation published in the City of Phoenix, Maricopa County, Arizona, to wit, on the 16th and 17th days of October, 1937; that attached hereto and made a part hereof is the affidavit of publication of said Order to Show Cause made by Chas. A. Caldwell, Assistant Cashier and Agent of the Arizona Publishing Company, publishers of the Arizona Republic, to which is attached a true copy of said Order to Show Cause.

THOMAS W. NEALON

Subscribed and sworn to before me this 18th day of December, 1937.

[Seal]

EMMA P. HOWEY

Notary Public

My Commission Expires: April 9, 1941. [229]

State of Arizona,
County of Maricopa—ss.

Chas. A. Caldwell, being first duly sworn upon oath deposes and says:

That he is the Assistant Cashier and agent of the Arizona Publishing Company, publishers of Arizona Republic, a newspaper of general circulation in the County of Maricopa, State of Arizona, published at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper for a period of Two days, as follows: October 16, 17, 1937.

CHAS. A. CALDWELL

Assistant Cashier and Agent.

Subscribed and sworn to before me this 17th day of October A.D. 1937.

[Seal]

C. O. PHILLIPS

Notary Public

My Commission Expires October 8, 1938.

[Title of District Court and Cause.]

ORDER TO SHOW CAUSE

Thomas W. Nealon, having filed herein his verified petition for allowance of attorney's fees for legal services rendered and expenses incurred in the preparation, institution and trial of the above entitled suit, wherein he prayed that this Court allow to him as solicitor for the plaintiffs such sum as it should deem reasonable compensation to him

for his services rendered in connection with the preparation, institution and trial of said cause, including the services rendered by him on the appeal from the interlocutory decree rendered therein to the Ninth Circuit Court of Appeals, and for his services in opposing the petition of the defendant and J. A. Malia to the Supreme Court of the United States for a writ of certiorari to review the proceedings in the District Court and Circuit Court of Appeals, such allowance to be on the basis of one-half of such sum as the Court may find to be a reasonable sum for all legal services rendered by the solicitors for the plaintiffs in the premises, and for an allowance of out-of-pocket expenses necessarily incurred by said petitioner in the premises; and that this Court establish and fix a lien upon the assets now in the hands of the Receiver of the Intermountain Building & Loan Association, [230] an Utah corporation, for such allowance as it may make to said petitioner upon said petition for services rendered and expenses incurred, and that said Receiver be authorized and directed to pay the amount of such allowances to said petitioner from the fund of the receivership estate now in his possession, and that each of the 2,792 creditors of said Association who elected to accept the benefit of said petitioner's efforts bear their proportion of such allowance; and that in the event this Court should deem it inadvisable at this time to pay to said petitioner the full amount which he would be entitled to for his services as solicitor for the plaintiffs in said proceedings, that the Court

make an allowance to said petitioner for the amount of the out-of-pocket expenses incurred by him and an allowance upon account of the services rendered by him; and the Court being fully advised in the premises,

It Is Hereby Ordered that the defendant in the above entitled suit and all of its creditors, Harry W. Hill, Esq., Receiver of the defendant corporation, and all persons interested in said suit file with this Court in the office of the Clerk of this Court at Phoenix, Arizona, any objections they may have to the granting of said petition on or before twelve days from the date hereof, and it is further ordered that said petition of said Thomas W. Nealon be heard upon its merits on the 15 day of November, 1937, at 10 o'clock A.M., or as soon thereafter as the parties can be heard.

It Is Further Ordered that service of this order be made upon Harry W. Hill, Esq., Receiver of Intermountain Building & Loan Association, an Utah corporation, by delivering to and leaving with said Harry W. Hill, Esq., a true copy thereof, together with a true copy of said petition, at his office, No. 313 Luhrs Building, Phoenix, Arizona, and also upon his counsel of record Alexander B. Baker, L. B. Whitney and Lawrence L. Howe, at their offices in the Luhrs Tower, Phoenix, Arizona.

It Is Further Ordered that service of this order be made upon the defendant, Intermountain Building & Loan Association, a corporation, by delivering to and leaving with James R. Moore, Esq., at-

torney of record in this suit for said defendant, at his office in the City of Phoenix, Arizona, a true copy of this order, together with a true copy of said petition.

It Is further Ordered that service of this order be made upon all creditors of the Intermountain Building & Loan Association, an Utah corporation, and upon all parties interested in said proceeding, by publishing this order 2 times in the Arizona Republic, a newspaper of general circulation, published in Phoenix, Maricopa County, Arizona.

Dated at Phoenix, Arizona, this 15 day of October, 1937.

DAVE W. LING

Judge of United States
District Court

[Endorsed]: Filed Dec 20 1937. [231]

[Title of District Court and Cause.]

MINUTE ENTRY

of Monday, December 20, 1937 (Phoenix Division)
Honorable Dave W. Ling, United States District
Judge, Presiding

Petition of Thomas W. Nealon for Allowance of Attorneys Fees and Petition of Elizabeth G. Monaghan for Allowance of Attorneys Fees come on regularly for hearing this day.

Thomas W. Nealon, Esquire, is present in his own behalf. The petitioner Elizabeth Monaghan is

present with her counsel, J. H. Morgan, Esquire.
and

It Is Ordered that said petitions for allowance of attorneys fees be consolidated for hearing.

Thomas W. Nealon, Esquire, now makes introductory statement to the Court in his own behalf, and hearing is now duly had on said petition of Thomas W. Nealon.

The following exhibits of Petitioner Thomas W. Nealon are now admitted in evidence:

1. Certified copy of Decree in similar case from District of Delaware.

2. Certified copy of Order fixing attorneys fees in similar case from the Southern District of California.

Thomas W. Nealon is now sworn and examined in his own behalf.

The following exhibits of Petitioner Thomas W. Nealon are now admitted in evidence:

3. Petition of Thomas W. Nealon for Allowance of Attorney's Fees for Legal Services Rendered and Expenses Incurred in the Preparation and Trial of the Above Entitled Suit.

4. Deposition of William H. Burges.

5. Notice of Taking of Deposition, Affidavit of Service of Notice of the Taking of Depositions, and Deposition of Samuel L. Pattee.

6. Paid Bills and Checks in this Case.

7. Certified copy of Complaint in Intervention, Exceptions of Intervenors, Mary B. Cummings and F. Irene Wilkie to Audit of Lee & Garrett Filed herein, and Dismissal of Suit in Case No. 36306-E,

James M. Meason, et al, vs. First National Building and Loan Association, et al, and Mary B. Cummings and Irene Wilkie, Intervenors; and Letter from Mary B. Cummings.

The following witnesses are now sworn and examined on behalf of the Petitioner Thomas W. Nealon:

M. J. Dougherty

J. S. Jenckes

The Petitioner Thomas W. Nealon rests.

Hearing is now duly had on the Petition of Elizabeth G. Monaghan for Allowance of Attorneys Fees. [232]

Elizabeth G. Monaghan is now sworn and examined in her own behalf.

Exhibit A, Power of Attorney, of Petitioner Elizabeth G. Monaghan is now admitted in evidence.

John L. Gust is now sworn and examined on behalf of the petitioner Elizabeth G. Monaghan.

Exhibit B, Petition of Elizabeth G. Monaghan for Allowance of Attorneys' Fees, of Elizabeth G. Monaghan is now admitted in evidence.

Counsel for petitioner Elizabeth G. Monaghan now states that said petitioner adopts the testimony of witnesses on behalf of Thomas W. Nealon's Petition insofar as it concerns the Petition of Elizabeth G. Monaghan.

The following witnesses are now sworn and examined on behalf of the petitioner Elizabeth G. Monaghan:

Francis D. Crable
E. S. Clark
Henry S. McCluskey
James A. Smith
Ralph E. Sperry

The Petitioner Elizabeth G. Monaghan rests.

Thomas W. Nealon, Esquire, now files his Petition for Payment of Out-of-Pocket Expenses Paid by Petitioner Thomas W. Nealon, and Petition for Allowance and Payment of \$12,500.00 upon Account to Thomas W. Nealon, and submits said petitions to the Court, and J. H. Morgan, Esquire, now moves for the immediate payment of \$301.65 expenses to Elizabeth G. Monaghan in the event any immediate payments are allowed by the Court, and

It Is Ordered that all of said matters be submitted and by the Court taken under advisement.

[233]

[Title of District Court and Cause.]

PETITION FOR PAYMENT OF OUT-OF-POCKET EXPENSES PAID BY PETITIONER, THOMAS W. NEALON

Comes now Thomas W. Nealon, and respectfully petitions the Court for an order directing the Receiver of the Intermountain Building & Loan Association to pay to him the sum of \$1330.40 for out-of-pocket expenses heretofore paid by him for

the benefit of the class plaintiffs in the preparation and conduct of the above entitled suit.

This petition is based upon, and is supplementary to the petition heretofore filed by him in this matter for the allowance of fees and expenses, together with the evidence this day presented in Court.

THOMAS W. NEALON

[Endorsed]: Filed Dec 20 1937. [234]

[Title of District Court and Cause.]

PETITION FOR ALLOWANCE AND PAYMENT OF \$12,500.00 UPON ACCOUNT OF FEES TO THOMAS W. NEALON.

Comes now Thomas W. Nealon, and supplementing his verified petition for attorneys fees heretofore filed in the above entitled matter, respectfully petitions the Court for an order making an immediate allowance and payment of \$12,500.00 upon account of fees for services rendered the plaintiffs in the preparation and conduct of the above entitled suit.

This petition is based upon and is supplementary to the petition for attorney's fees heretofore filed by him in this matter, together with the evidence this day presented in Court in support thereof. This petition to be without prejudice to the allowance heretofore prayed for in this proceedings.

THOMAS W. NEALON

[Endorsed]: Filed Dec 20 1937. [235]

[Title of District Court and Cause.]

MINUTE ENTRY

of Friday, February 18, 1938 (Phoenix Division)

Honorable Dave W. Ling, United States District
Judge, Presiding

ORDER FOR ALLOWANCE AND PAYMENT
OF ATTORNEY'S FEES FOR LEGAL
SERVICES RENDERED

Thomas W. Nealon, formerly one of the attorneys for Henry S. McCluskey, the former Receiver of Intermountain Building & Loan Association, an Utah corporation, having heretofore presented and filed his verified petition praying, among other things, for the allowance of attorney's fees for legal services rendered by him in the preparation, institution and trial of the above entitled and numbered cause, and an order to show cause having been made and entered by this Court in the above entitled and numbered proceeding under date of October 15, 1937, requiring and directing publication thereof, and said publication and service having been made in the manner and for the time as fixed and prescribed in said order to show cause, and thereafter said verified petition having come on regularly for hearing and witnesses having been sworn and examined and evidence introduced, and the evidence being closed, the matter was submitted and taken under advisement.

It Is Now Ordered and Directed that there shall be and there is hereby allowed to the said Thomas

W. Nealon the sum of Five Thousand Dollars (\$5,000.00) as and for an allowance on account of services rendered by him as an attorney in the preparation, institution and trial of the foregoing entitled and numbered cause, said sum to be paid out of the funds now held by Harry W. Hill, the primary Receiver of Intermountain Building & Loan Association.

It Is Further Ordered that the said Harry W. Hill, Receiver of Intermountain Building & Loan Association, an Utah corporation, be and he is hereby authorized, empowered and directed to pay to the said Thomas W. Nealon the said sum of Five Thousand Dollars (\$5,000.00) as and for an allowance on account of services heretofore rendered and performed by the said Thomas W. Nealon in the preparation, institution and trial of the foregoing entitled and numbered cause.

It Is Further Ordered that this Court does hereby retain jurisdiction to make and enter such other and further order in the premises as to it shall seem just and equitable.

Done in open court this 18 day of February, 1938.

DAVE W. LING

Judge of the District Court of the United States
in and for the District of Arizona. [236]

[Title of District Court and Cause.]

MINUTE ENTRY

of Friday, March 3, 1939 (Phoenix Division)

Honorable Dave W. Ling, United States District
Judge, Presiding

ORDER FOR ALLOWANCE AND PAYMENT
OF ATTORNEY'S FEES FOR LEGAL
SERVICES RENDERED.

Thomas W. Nealon, formerly one of the attorneys for Henry S. McCluskey, the former Receiver of Intermountain Building & Loan Association, an Utah corporation, having heretofore presented and filed his verified petition praying, among other things, for the allowance of attorney's fees for legal services rendered by him, and an order to show cause having been made and entered by this Court in the above entitled and numbered proceeding, under date of October 15, 1937, requiring and directing service and publication thereof, and said publication and service having been made in the manner and for the time as fixed and prescribed in said order to show cause, and thereafter said verified petition having come on regularly for hearing and witnesses having been sworn and examined and evidence introduced, and the evidence being closed, the matter was submitted and taken under advisement; and

Whereas, under date of February 18, 1938, an order was made and entered herein allowing to the said Thomas W. Nealon the sum of Five Thousand Dollars (\$5,000.00) as and for an allowance on

account of services rendered by him as an attorney in the preparation, institution and trial of the foregoing entitled and numbered cause, said sum to be paid to him out of the funds held by Harry W. Hills, the primary Receiver of Intermountain Building & Loan Association.

It Is Ordered that the additional sum of Two Thousand Five Hundred Dollars (\$2,500.00) is hereby allowed to the said Thomas W. Nealon on account of professional services rendered by him, said sum to be paid out of the funds now held by Harry W. Hill, the primary Receiver of Intermountain Building & Loan Association, an Utah corporation.

It Is Further Ordered that the said Harry W. Hill, Receiver of Intermountain Building & Loan Association, an Utah corporation, be and he is hereby authorized, empowered and directed to pay to the said Thomas W. Nealon, the additional sum of Two Thousand Five Hundred Dollars (\$2,500.00) as and for an allowance on account of services heretofore rendered and performed by the said Thomas W. Nealon in the preparation, institution and trial of the foregoing entitled and numbered cause.

It Is Further Ordered that this Court does hereby retain jurisdiction to make such other and further order in the premises as to it may seem just and equitable.

Done in open court this 3 day of March, 1939.

DAVE W. LING

Judge. [237]

[Title of District Court and Cause.]

PETITION OF THOMAS W. NEALON REQUESTING THIS HONORABLE COURT TO REVIEW AND REHEAR FINAL ORDER FIXING ATTORNEY'S FEES AND EXPENSES OF THOMAS W. NEALON, MADE AND ENTERED HEREIN ON DECEMBER 7, 1942.

Comes now Thomas W. Nealon and respectfully petitions this Honorable Court as follows:

I.

That on October 15, 1937, petitioner filed herein his petition for the allowance of compensation for professional services performed by him, and expenses incurred, in the preparation, institution and trial of the above entitled suit, and on the appeal to the United States Circuit Court of Appeals for the Ninth Circuit from the interlocutory decree rendered therein appointing a receiver pendente lite, and for services in opposing the petition of defendant and J. A. Malia to the Supreme Court of the United States for a writ of certiorari to review the proceedings granting said interlocutory decree and appointing the receiver pendente lite.

That said petition for compensation and expenses was [240] not contested and came on for hearing on December 20, 1937, and at that time this Court heard and received uncontroverted testimony in support of the petition.

II.

That during all the times mentioned in said petition filed on October 15, 1937, as aforesaid, Henry S. McCluskey was either temporary receiver of defendant by appointment of this Court made by an order entered on April 20, 1934, or was permanent receiver by appointment of this Court made by an order entered on February 8, 1936, except during the period between February 8, 1936 and May 11, 1936, said Henry S. McCluskey and George A. Mauk, by appointment of this Court made by an order entered on said February 8, 1936, were co-receivers of said defendant, and said Henry S. McCluskey continued from May 11, 1936, as receiver until April 1, 1937, at which time Harry W. Hill was appointed receiver, who thenceforward has continued as receiver to and including the time of the filing of this petition.

III.

That at the request of said Henry S. McCluskey, as temporary receiver, and by the order of this Court entered on November 30, 1935, petitioner and Elizabeth G. Monaghan were appointed attorneys for said receiver, and thenceforward during the incumbency of said Henry S. McCluskey, as temporary and permanent receiver, petitioner performed professional services on behalf of said receiver, and on behalf of the above-named plaintiffs who are creditors of defendant, and all other creditors similarly situated, in addition to the services enumerated in the petition filed herein by pe-

tioners on October 15, 1937, as aforesaid, whereby petitioner devoted approximately sixteen months in investigating the business transactions and property ownership of defendant, and in conducting litigation connected [241] therewith, in the State of California, Idaho, Utah, Oregon and Wyoming, and pursuant to that investigation and litigation, and subsequent to the appointment of Henry S. McCluskey as permanent receiver, ancillary receivers in aid of said primary receivership were appointed by orders of courts in the States of Idaho, Utah and Wyoming, and as a result of petitioner's efforts in that behalf, adjusted book-value assets of defendant located in said States of Idaho, Utah and Wyoming, totalling \$1,717,983.16, as appears from the report of said Harry W. Hill, receiver herein, filed with this Court on February 23, 1943, have been marshalled and subjected to the payment of defendant's creditors.

IV.

That petitioner, during such period, rendered extensive service requiring many days of study and labor for the purpose of securing ancillary receiverships in the States of California and Oregon, but the United States Courts sitting in said states, as hereafter more particularly appears, refused to appoint ancillary receivers of defendant's business and assets located in said state, and, as a result, the business and assets of defendant situated in those states have been, and now are being, administered by public officials thereof as thereunto authorized by the laws of said states.

V.

That the proceedings for the appointment of an ancillary receiver of defendant in the State of California were instituted in the District Court of the United States for the Southern District of California, Central Division, and from an adverse judgment an appeal was prosecuted to the United States Circuit Court of Appeals for the Ninth Circuit, which affirmed the judgment of the District Court, as appears in 109 Federal (2d) 857, and there entitled: [242]

“Julius G. Brashear, Charles E. Griggs, and Mrs. Charles E. Griggs, his wife, in their own behalf and in behalf of others similarly situated, and Harry W. Hill, Receiver of Intermountain Building & Loan Association, a corporation, successor to Henry S. McCluskey, and George A. Mauk, Receivers of Intermountain Building & Loan Association, a corporation, Appellants, vs. Intermountain Building & Loan Association, a corporation, Charles G. Johnson, State Treasurer of California, Appellees, No. 9130.”

That the said Harry W. Hill, who was at that time the receiver of defendant, and his attorneys, requested petitioner to appear on behalf of plaintiffs and appellants in said proceedings, both in the United States District Court for the Southern District of California, Central Division, and in the United States Circuit Court of Appeals for the Ninth Circuit, and petitioner actively engaged with his co-counsel in the conduct of such proceedings,

including the petition for certiorari to the Supreme Court of the United States to review the judgment of the United States Circuit Court of Appeals for the Ninth Circuit affirming the judgment of said United States District Court refusing to appoint an ancillary receiver in the State of California, wherein the petition for certiorari was denied, as reported in 311 U. S. 655.

VI.

That the proceedings for the appointment of an ancillary receiver of defendant in the State of Oregon were instituted in the District Court of the United States for the District of Oregon, and from an adverse judgment an appeal was prosecuted to the United States Circuit Court of Appeals for the Ninth Circuit, which affirmed the judgment of the District Court, as appears in 111 Federal (2d) 805, and there entitled:

“Guagalupe R. Gallegos and Francesco Gallegos, his wife, and Inga G. Gudmundson, in their own behalf and in behalf of others similarly situated, and Harry W. Hill, Receiver of Intermountain Building & Loan Association, [243] a corporation, Appellants, vs. Lloyd R. Smith, Corporation Commissioner, of the State of Oregon, Appellee, No. 9310.”

That the said Harry W. Hill, who was at that time the receiver of defendant, and his attorneys, requested petitioner to appear on behalf of appellants on the appeal to the United States Circuit

Court of Appeals for the Ninth Circuit, and petitioner actively engaged with his co-counsel in the conduct of said appeal to the United States Circuit Court of Appeals for the Ninth Circuit, including the petition for certiorari to the Supreme Court of the United States to review the judgment of the United States Circuit Court of Appeals affirming the judgment of the United States District Court refusing to appoint such ancillary receiver in the State of Oregon, wherein the petition for certiorari was denied, as reported in 311 U. S. 668.

VII.

That petitioner, in connection with the proceedings instituted and conducted in the State of Oregon seeking the appointment of an ancillary receiver in that state, by and with the approval of this Court, and the said Henry S. McCluskey, as receiver, associated with himself in the conduct of such proceedings the firm of Wilson & Reilly, attorneys at law, whose offices were in the City of Portland, Oregon, and this Court allowed to said Wilson & Reilly, as such attorneys, a fee of \$7,500.00 for the services rendered in connection with such proceedings.

VIII.

That petitioner thus far has made no claim for services rendered by him in connection with said ancillary proceedings in the States of California, Idaho, Utah, Oregon and Wyoming, and petitioner did not claim, nor did he intend to claim, compensation for such services by the petition filed by [244] him on October 15, 1937, as aforesaid.

IX.

That between December 8, 1935 and April 1, 1937, petitioner investigated and prepared, or assisted in the investigation and preparation of, 549 applications, petitions and orders which were filed in this Court by the said Henry S. McCluskey, either as temporary or permanent receiver, all of which pertained to the administration of the receivership affairs, and all of which necessitated many appearances in this Court by petitioner during said period; and such administrative proceedings in many instances required petitioner to diligently investigate the law and to prepare briefs pertaining thereto, but none of the services which petitioner performed in connection therewith was set forth in the petition filed herein by him on October 15, 1937, and petitioner then made no claim for compensation for such services.

X.

That said petition filed by petitioner herein on October 15, 1937, for the allowance of compensation, as therein set forth and claimed, came on for hearing before this Court on December 20, 1937, whereupon this Court considered said petition, and the testimony offered by petitioner in support thereof, and on December 7, 1942, this Court made and entered its order, which eo nomine was designated a final order, allowing compensation and expenses to your petitioner, and ordering payment thereof, and by said order this Court awarded petitioner the sum of \$12,500.00, less the sum of \$7,500.00, as said order recited, heretofore paid to petitioner on

account, plus an additional sum of \$1,330.40 for expenses which had been incurred by petitioner, and, accordingly, by the conditions of said order, [245] petitioner received for such services, in addition to the sum of \$7,500.00 which had theretofore been paid to petitioner, the sum of \$5,000.00, plus said sum of \$1,330.40. That between December 1, 1935 and April 1, 1937, petitioner had been paid an additional sum of \$7,344.00 in monthly payments as and for a drawing account.

XI.

That said order entered herein by this Court on December 7, 1942, awarding compensation and expenses to petitioner, deprived petitioner of just and proper compensation for the services enumerated in the foregoing paragraphs III, IV, V, VI and IX, in that said order provided that said sum of \$7,344.00 "is sufficient compensation for petitioner as one of the attorneys for the former receiver, Henry S. McCluskey," and by further providing that said order "is a final allowance and covers all services heretofore rendered by said Thomas W. Nealon, as set forth in his petition and as attorney for the former receiver."

XII.

That notwithstanding petitioner made no claim for compensation for services performed by petitioner, as recited and enumerated in the foregoing paragraphs III, IV, V, VI and IX, but claimed compensation only for services rendered in connec-

tion with the suit instituted for the appointment of a receiver of defendant's business and assets, and for services rendered on the appeal in said suit to the United States Circuit Court of Appeals for the Ninth Circuit, and on the petition for writ of certiorari to the Supreme Court of the United States, as confirmed by the first paragraph of said order made and entered on December 7, 1942, nevertheless, said order purported to fix and adjudge the total compensation payable to petitioner for all services rendered by petitioner, as now set forth, and thereby [246] purported to preclude petitioner from recovering compensation for said additional services rendered by petitioner on behalf of said Henry S. McCluskey, as such receiver, as recited and enumerated in the foregoing paragraphs III, IV, V, VI and IX.

XIII.

That at the time said petition came on for hearing before this Court on December 20, 1937, petitioner, by oral statement made to this Court at that time, explained the purpose of said petition by the following statement:

“My prayer in the petition is for only one-half of what would be a reasonable fee for the conduct of the case, and my petition differs from that of Mrs. Monaghan in this case, in that I ask that if the Court does not see proper at this time to allow the whole fee, that it make an allowance upon account. I think the latter is proper under the circumstances of the case,

and under the evidence which I shall introduce, that a partial allowance at this time is the only way in which justice can be done to all parties, considering the amount of funds in the hands of the Receiver, the necessity, I might say, of the declaring a dividend, and the fact that it will probably be some time before all of the assets can be converted into cash. At the end of the case, at the end of the hearing I shall ask the right to file motions to that effect, and the petition along with them, so as to bring it directly before the Court, maybe supplemental to the petition already filed."

XIV.

That at the time said petition for the allowance of compensation to petitioner came on for hearing before this Court on December 20, 1937, petitioner, by further oral statement made to this Court at that time, explained and confined the purpose of said petition as follows:

"I am asking for a fee, as one of the solicitors for the plaintiffs in the class suit filed for certain named plaintiffs, and those similarly situated. I am asking the Court to allow me such reasonable compensation for the services rendered to the plaintiffs, and those similarly situated, in connection with the preparation, institution and trial of the case, including services [247] rendered by me on the appeal from the interlocutory decree rendered by the Ninth Circuit Court of Appeals, for my serv-

ices in opposing the petition of the defendant corporation and J. A. Malia in the Supreme Court of the United States, and filed upon a Writ of Certiorari, and for my out-of-pocket expenses necessarily incurred and paid by me in the sum of \$1,330.40 and for services in obtaining final decree providing for the conveyance of all the property of the Intermountain Building & Loan Association to the Receiver of the defendant.”

XV.

That on December 20, 1937, which was the date said petition filed on October 15, 1937 came on for hearing, and as indicated by verbal statement then made to the court as recited in the foregoing paragraph XIII, petitioner at that time then filed herein a petition in writing, designated and entitled:

“Petition for Allowance and Payment of \$12,500.00 Upon Account of Fees to Thomas W. Nealon,”

which petition represented to this Court and received as follows:

“Comes now Thomas W. Nealon and supplementing his verified petition for attorney’s fees heretofore filed in the above entitled matter respectfully petitions the Court for an order making an immediate allowance and payment of \$12,500.00 upon account of fees for services rendered the plaintiffs in the preparation and conduct of the above entitled suit.

“This petition is based upon and supplementary to the petition for attorney’s fees heretofore filed by him in this matter, together with the evidence this day presented in Court in support thereof. This petition to be without prejudice to the allowance heretofore prayed for in this proceeding.”

XVI.

That said order entered on December 7, 1942, insofar as it purported to be a final order, and insofar as it denied to petitioner compensation earned by him for all services per- [248] formed by him, as aforesaid, was not within the issues presented by said petition, as appears from said petition and the prayer thereof, and as further appears from the oral statement of petitioner recited in the foregoing paragraphs XIII and XIV, and from the written petition recited in the foregoing paragraph XV, and by reason thereof, this Court was without jurisdiction to render and enter said order as and for a final order awarding total and final compensation due and payable to petitioner for all the services performed by him as aforesaid; and furthermore, in the event said order was and is within the jurisdiction of this Court to render it, said order, by reason of the limitation of the petitions upon which said order was founded, was, and is, an interlocutory administrative order in equity now subject to control and revision by this Court so as to permit the entry of a new or supplementary order herein which allows and awards to petitioner just

and proper compensation for all services performed by petitioner, as set forth in the petition filed by him on October 15, 1937, as supplemented, and in this petition, and by the record herein.

XVII.

That petitioner, from the inception of this suit, and he now is, the solicitor of record for plaintiffs above named, and for 2,792 additional consenting creditors of defendant similarly situated, and by reason of that relationship petitioner, although requested, has refused to represent persons other than said creditors because of the incompatibility of petitioner's duty as between said creditors and other creditors of a different class, and, in this respect, petitioner affirms that he was requested by the law firm of Wilson & Reilly, who assisted petitioner in the conduct of the suit and proceedings for an ancillary receivership in the State of Oregon, as aforesaid, to represent said firm for the purpose of presenting and prosecuting [249] their claim in this Court for compensation for services rendered as associate solicitors in the Oregon proceedings, but by reason of the relationship petitioner bore to said creditors whom petitioner represents, petitioner declined to represent said firm, and, accordingly, other local counsel was employed to represent them in that behalf, and for such services said firm of Wilson & Reilly was allowed and awarded compensation by this Court in the amount of \$7,500.00, as aforesaid.

XVIII.

That said Elizabeth G. Monaghan on November 22, 1937, filed her petition for compensation for services performed by her, and this Court, by order likewise entered on December 7, 1942, awarded compensation to said Elizabeth G. Monaghan in the same amount then awarded to petitioner, and said Elizabeth G. Monaghan appealed from said order to the United States Circuit Court of Appeals for the Ninth Circuit, and on January 21, 1944, said Court rendered and entered its decision and judgment therein whereby the order of this Court entered on December 7, 1942, awarding compensation to Elizabeth G. Monaghan, was reversed and remanded to this Court, and by the opinion and judgment of the United States Circuit Court of Appeals for the Ninth Circuit on said appeal it was adjudged that this Court committed error by said order which allowed and awarded compensation to Elizabeth G. Monaghan in the amount therein provided, which is identical in the amount awarded to petitioner, as aforesaid, and the United States Circuit Court of Appeals for the Ninth Circuit adjudged that Elizabeth C. Monaghan, for the services rendered as recited in her petition, was entitled to receive, and should receive, such compensation as to this Court may seem right and proper, but in a sum not less than \$50,000.00, and, accordingly, the United States Circuit Court of Appeals for the Ninth Circuit reversed and remanded the case on appeal of Elizabeth G. [250] Monaghan to this Court with instructions to fix her compensation in an amount

as may seem right and proper, but in a sum not less than \$50,000.00.

IXX.

That on the appeal of Elizabeth G. Monaghan from the order of this Court entered herein on December 7, 1942, allowing and awarding her compensation for the services performed herein, the said Harry W. Hill, as receiver of the above named defendant, who was the appellee on said appeal to the United States Circuit Court of Appeals for the Ninth Circuit, filed a brief in opposition to the brief of Elizabeth G. Monaghan, and by that brief the said Harry W. Hill, as such receiver, recited the character and extent of the services performed herein by petitioner in support of the correctness of the award made by this Court to Elizabeth G. Monaghan, and, as a conclusion from such recitals, the said Harry W. Hill, as such receiver, correctly and fairly represented to the United States Circuit Court of Appeals for the Ninth Circuit the following:

“The foregoing tends to show, as Mr. Nealon has stated, that all of the important work on this case from the very beginning was performed by him. It is true that there is testimony by Mrs. Managhan to the effect that Mr. Nealon did not at the beginning of the litigation want to become counsel of record for the creditors. If this is true, it may be surmised that Mr. Nealon wished to be free to be employed as attorney for the Receiver, if one should be appointed.

“But whatever the reason, it was apparent to the Court below and must necessarily be apparent to this Honorable Court from the record, that Mr. Nealon was the dominating spirit and the chief counsel in the litigation that brought the fund into court.

“While it is true that no contest was made by the receiver on the petitions filed by either Mrs. Monaghan or Mr. Nealon as attorneys, and ‘no controverting evidnece was offered,’ still there is a direct conflict between the petitions filed by Mrs. Monaghan and Mr. Nealon, of which the Judge of the Court below must have taken cognizance. Mrs. Monaghan in her oral testimony did not question the statement of Mr. Nealon that ‘all pleadings, briefs, or other business was [251] formulated and dictated by me (Nealon) and prepared in my office,’ nor the statement ‘all of the expenses of litigation from the time the matter came into my (Nealon’s) hands in the early part of 1932, to the time that the Receiver took physical possession in November, 1935, were advanced by me (Nealon) at the time they were incurred or paid.’ Nor did Mrs. Monaghan question the fact that ‘* * * during the early part of 1932 and up to about a week prior to the petition for interlocutory decree in April, 1934, Mrs. Monaghan was in my (Nealon’s) employ on a salary, but there never was at any time any partnership between us.’”

Furthermore, appellee again recited in that brief as follows:

“Viewing this case in the light of the record here, we feel that if the fee in fact was inadequate, and an abuse of discretion on the part of the District Judge, that it should have been Mr. Nealon who was here complaining and not Mrs. Monaghan, because, according to the record here, it was Mr. Nealon who ‘bore the brunt of the struggle for the beneficiaries of the trust from the beginning to the end.’ ”

XX.

That the petition of Elizabeth G. Monaghan filed herein on November 22, 1937, as well as the record of the proceedings on the hearing of the petition of both Elizabeth G. Monaghan, and of petitioner, disclose that the services performed by Elizabeth G. Monaghan were not more extensive or more valuable to the creditors of defendant whom they represented, and to the said Henry S. McCluskey, as such receiver, and to the present receiver, than the services performed on their behalf by petitioner, and, in corroboration thereof, the opinion of the United States Circuit Court of Appeals for the Ninth Circuit, in reversing the final order of this court awarding compensation to Elizabeth G. Monaghan, reviewed the testimony presented to this court in support of the petition for an award of compensation to petitioner, and found the following authentic facts:

“Appellant’s petition and her associate’s petition were consolidated for hearing before the United States District Judge, and evidence

concerning the value of services rendered and the expenses incurred was presented. Nealon [252] introduced the opinions of four experienced attorneys as to a reasonable fee. Three thought \$200,000.00 a fair and moderate fee for the conduct of the entire litigation; the fourth stated that Nealon alone was entitled to at least \$100,000.00. There may be some question as to whether or not the testimony offered specifically upon behalf of Nealon could properly be considered as to Mrs. Monaghan's petition, but the question is more academic than real, for Mrs. Monaghan and three lawyer-witnesses declared that \$15,000.00, or \$75,000.00 to each attorney, would be a reasonable award. It should be noted that seven attorneys estimated the reasonable value of the total services rendered as from \$200,000.00 down to \$150,000.00. No testimony of a lower sum was introduced. * * *

XXI.

Petitioner respectfully asserts and claims that the compensation allowed to petitioner by the order of this Court entered on December 7, 1942, as aforesaid, was, and is, wholly inadequate, unconscionable and erroneous, when measured by the extent of such services and the benefits derived therefrom by the creditors of defendant whom petitioner successfully represented, as aforesaid, and as also derived by the said Henry S. McCluskey, as former receiver of defendant, and by the present receiver, particularly as disclosed by the petition for the

allowance of compensation filed by petitioner herein on October 15, 1937, as supplemented, as aforesaid, and by this petition, and by the record in support thereof.

XXII.

That for inasmuch as this Court, by the order entered herein on December 7, 1942, committed errors of law and fact apparent on the record herein, in that said order purported to allow and award total and final compensation to petitioner for all services rendered herein; and for inasmuch as it was not within the jurisdiction of this Court to render and enter said order, in that it was and is beyond the issues upon which it is founded; and for inasmuch as said order is erroneous in that the [253] amount of the allowance and award of compensation to petitioner for such services is wholly inadequate as measured by the time and labor expended by petitioner in performing such services, together with the value of such services, as set forth by petitioner in the petition filed herein on October 15, 1937, and as set forth in this petition, and as appears from the record pertaining thereto, therefore petitioner respectfully asserts that right and equity should now be invoked and interposed by this Court for the purpose of reviewing, rehearing and correcting said order so that an award now shall be made to petitioner for compensation in an amount as may be right and proper.

Wherefore, petitioner respectfully prays:

(a) That the order of this Court entered herein on December 7, 1942, allowing and awarding to petitioner compensation and expenses in the amount therein recited, be vacated for the want of jurisdiction of this Court to render said order, and that a supplemental order be made and substituted therefor by this Court allowing and awarding to petitioner compensation in such amount as now appears from the entire record herein to be right and proper.

(b) That this Court, as in the nature of a bill of review, or by an original bill in equity, review said petition filed herein by petitioner on October 15, 1937, and said order entered herein on December 7, 1942, and upon such review that this Court correct the errors of law and fact apparent in said order, and thereupon allow and award to petitioner compensation in such amount as now appears from the entire record herein to be just and proper.

(c) That this Court grant a rehearing of said order entered herein on December 7, 1942, awarding compensation to petitioner, and upon such rehearing that this Court thereupon allow and award to petitioner compensation in such amount for all services performed by petitioner as now appears from the [254] entire record herein to be just and proper.

(d) That this Court modify and revise said order entered herein on December 7, 1942, so as to allow and award compensation to petitioner for all services performed by petitioner as now ap-

pears from the entire record herein to be just and proper.

(e) That a day be fixed by order of this Court for the hearing of this petition and that said order provide that notice of said hearing be given to said Harry W. Hill, as such receiver.

(f) And for such other and further relief as may appear just and equitable.

THOMAS W. NEALON

Pro se

508 Luhrs Tower

Phoenix, Arizona

LESLIE C. HARDY

Solicitor for Petitioner, Thomas W. Nealon, 1006
Luhrs Tower, Phoenix, Arizona

State of Arizona,
County of Maricopa—ss.

Thomas W. Nealon, being first duly sworn on oath, deposes and says that he is the petitioner above named; that he has read the foregoing petition, knows the contents thereof, and that the same is true both in substance and in fact.

THOMAS W. NEALON

Subscribed and sworn to before me this 20 day of March, 1944.

(Seal) RUBY BELLE STERLING
Notary Public.

My commission expires: 9/22/45. [255]

[Endorsed]: Filed Mar. 31, 1944. [256]

[Title of District Court and Cause.]

AFFIDAVIT OF THOMAS W. NEALON

United States of America,

State of Arizona,

County of Maricopa—ss.

Personally appeared before me the undersigned Notary Public in and for the County of Maricopa, State of Arizona, Thomas W. Nealon, who being duly sworn deposes and says:

1. That the services described herein were rendered by him in the above entitled suit, that no compensation has been paid to him therefor, nor was any petition ever filed therefor, nor hearing noticed or had thereon, that no portion thereof has been paid to deponent other than the sums paid under the order of the Honorable Fred C. Jacobs who as judge of the United States District for the District of Arizona on December 2, 1935 made the order of appointment of deponent as attorney for the receiver, and by order entered on January 28, 1936 fixed the sums payable under the monthly drawing account provided for in said order to the deponent as attorney for the receiver in said proceedings. [257]

2. That immediately upon the making of the order, hereinbefore referred to by Judge Jacobs, this deponent, at the suggestion of Judge Jacobs, and under his instructions in company with the receiver of the said Intermountain Building & Loan Association, Harry S. McCluskey, Esq., went to the States of Utah, Wyoming, Oregon and Cali-

fornia for the purpose of obtaining the appointment of ancillary receivers and instituting ancillary proceedings in each of these states in aid of the receivership in Arizona. In such proceedings he represented the receiver and the entire class of creditors of the association in whose behalf the above entitled suit was brought (such representation being necessary for jurisdictional purposes). Deponent also negotiated with the state officials in charge of building and loan associations for their consent to such ancillary proceedings.

3. That the first step in such proceedings was to obtain such ancillary receivership in the State of Utah which was the home state of the corporation. This effort required two trips to Salt Lake City. The second trip was taken at the instance of the present ancillary receiver in Utah who urged the necessity of deponent's presence there to participate in the conduct of the suit. Such suit was successful and as a result thereof all the assets of the corporation in Utah were brought under the jurisdiction of the District Court of Arizona.

4. That the receiver and this deponent immediately after the hearing at Salt Lake City went to Cheyenne, Wyoming, where, with the assistance of local attorneys, and the consent procured of the State officials of Wyoming, they secured the appointment of an ancillary receiver of the association by the United States District Court of Wyoming in aid of the suit in Arizona. [258]

5. That deponent then went to Portland, Oregon, and in company with the Arizona Receiver, the

preliminary work for the proceedings in the United States District Court of Oregon were formulated, in which proceedings he subsequently appeared for both creditors and receiver, and took part upon the hearing before the Special Master and conducted a large part of the examination of witnesses and later took part in the preparation of the appeal (111 Fed. (2d) 805) to the United States Circuit Court of Appeals for the Ninth Circuit and the preparation of the briefs used in the hearings before that court as well as in the Supreme Court of the United States on the application for a writ of certiorari. In connection with the hearing in Oregon this deponent drafted the complaint used in that suit and associate counsel in Oregon subsequently informed deponent that it was the complaint used in that proceeding.

6. This deponent accompanied by the Arizona receiver then went to San Francisco for consultation with officials of the Home Owners Loan Corporation in regard to the properties of the association in which they were interested and for the purpose of making arrangements with the Home Owners Loan Corporation for the securing of the refinancing of mortgages held by the association. This work contributed to the subsequent refinancing of many loans held by the association and was of great advantage to the receivership estate.

7. This deponent and Henry S. McCluskey, as receiver, then went to Los Angeles, California, to negotiate with the California officials handling the assets of the association in California. This finally

resulted in the Brashear case (109 Fed. (2d) 857) wherein this deponent in connection with Messrs. Zach Lamar Cobb and E. A. Littlejohn, attorneys, of Los Angeles represented all the creditors who have accepted the benefits [259] of the Arizona suits as well as the receiver, and also in the United States Circuit Court of Appeals for the Ninth Circuit and the Supreme Court of the United States. This representation was at the request of Harry W. Hill, Esq., the present receiver, made through his attorneys.

8. That at the instance and request of the attorneys for the present receiver, deponent joined in the settlement and release of the cost and supersedas bond of the United States Fidelity & Guaranty Co. made upon the appeal from the interlocutory order in the above-entitled suit, which bond was drawn by deponent and James R. Moore, Esq., one of the attorneys for the appellant. The amount collected on this bond was \$12,500.00 which went into the receivership estate, although the bond ran to the appellee-creditors.

9. An important case tried by deponent and his co-counsel was that of Forst v. Intermountain Building & Loan Association, Supreme Court of Arizona, No. 3780, 49 Ariz. 246, 65 P. (2d) page 1379, wherein Forst unsuccessfully sought to establish a lien upon the assets of the association and said Forst case established important principles of law in Arizona in aid of the receivership. On the strength of the decision in the Forst case, other claimants of liens were induced to abandon claims

of liens, all to the advantage of the receivership estate.

10. Another important matter in connection with the receivership which required the attention of defendant was the sale of the Canadian assets from which a considerable sum of money was realized for the receivership estate.

11. Another important proceedings commenced by deponent for the receiver, Henry S. McCluskey, which resulted in a gain of more than \$3000. for the receivership estate and culminated in the suit of Hill, Receiver v. Favour & Baker, No. 3993, 52 Ariz. 561, 84 Pac. (2d) 575, wherein the Superior Court judgment [260] was held void because the court had no jurisdiction to render the particular judgment that was rendered by the Superior Court. This cause was handled in the Supreme Court with consummate ability by the attorneys for Receiver Hill.

12. An important matter was the securing of the appointment of Stanley Jerman, Esq. as Special Master (and orders incidental thereto) to secure deeds conveying the properties in California and Oregon to the receiver in order that title might vest in the receiver. Deponent was preparing these deeds in accordance with the statutes of Oregon, California, Utah, Wyoming and Idaho, when his employment as attorney for the receiver was terminated by the court's removal of Henry S. McCluskey, as receiver, and Harry W. Hill, as receiver, accepted quit-claim deeds instead of the

special warranty deeds recommended by your deponent.

13. Deponent did much work in connection with the Idaho receivership but did not go in person to Idaho.

14. That in excess of 500 instruments in the nature of petitions, applications, order and other necessary instruments were prepared by your deponent during the sixteen months period in which he represented the receiver. These required many appearances and hearings before the United States District Court sitting at Phoenix and at Prescott.

15. That deponent was appointed attorney for the receiver by Judge Jacobs, as aforesaid, who fixed a drawing account of \$300.00 per month, His Honor estimating at that time that sixty percent of deponent's time would be required for the work. At the same time His Honor fixed a drawing account of \$150.00 per month for office and other necessary expenses, estimated as follows: [261]

	Per Month	60%
Office rental in Luhrs Tower	\$ 80.00	\$ 48.00
Stenographer's salary (\$35. per week).....	151.67	91.00
Estimated stationery and sundries.....	33.33	20.00
<hr/>		<hr/>
Monthly total estimated office expense.....	\$265.00	\$159.00
Total monthly allowance drawing account for ex-		
penses—60% of \$265.00		\$159.00

16. That the time consumed in the services set forth in this affidavit consisted of 14 full months, included in which were 68 days of personally conducted suits and hearings in the Supreme Court

of Arizona, the Federal District Courts of Arizona, Wyoming, Oregon and California, and in the state court in Utah, and in the Superior Courts in Maricopa and Gila Counties, Arizona. In addition thereto, there was a large portion of the remaining two months devoted to routine affairs of the association.

17. Deponent's reasons for not incorporating the matters herein set up in his original petition for compensation filed in this suit on October 15, 1937, are as follows:

(a) The matter of services rendered to the receiver, as distinguished from the creditors' suit seeking the appointment of the receiver, was entirely a separate matter, and consequently the petition filed on October 15, 1937 was for services to the petitioning creditors and not to the receiver.

(b) The services rendered to the petitioning creditors set up in the petition filed on October 15, 1937 were properly confined to the services rendered in the original suit, and the services to the said creditors set up herein were for services rendered to such creditors but not then completed.

(c) Insofar as services rendered to the former receiver, Henry S. McCluskey, were compensable, the Court would not have had jurisdiction to fix them without a petition being filed [262] reciting the facts and a hearing thereon.

(d) Deponent relied upon the case of *Wallace v. Fisk*, 80 Fed. (2d) 897, (page 901) as a correct statement of the procedure to be followed.

(e) No order could be entered upon deponent's petition filed at that time that would constitute a separation of the suit nor dismiss the petitioner or his clients from their duty and from the jurisdiction of the court.

(f) Deponent's interpretation of the law was borne out by the order of this Court of December 7, 1942, for while that order is designated "final order," the text thereof shows that it was not a final order, in that page 3 of said order, lines 4 to 7, discloses that the Court did not consider all the services rendered by deponent in said case, many of which appear of record in this suit. This is also shown on lines 8 to 13 of said page, and on lines 1 and 2 of page 4 of said order. The court clearly confined itself to the contents of the petition as filed.

(g) That several parts of the order of December 7, 1942, appear to have been inadvertently made, for instance, on line 15 of page 3, describing the moneys paid to deponent as attorney for the receiver as "salary", while the order of January 28, 1936, authorizing these payments, describes them as payments on account of a drawing account, thereby reserving final compensation as might be reasonable to be fixed and paid after all services had been rendered and petitioned for.

(i) Likewise that portion of the order appearing on lines 9 to 13, inclusive, of page 4 of said order, where the order is described as final, conflicts with that portion of the paragraph reading "as set forth in his petition." Mrs. Monaghan's compensation as

one of the attorneys for the Receiver was fixed at \$250.00 a month and not as a drawing account. In [263] addition, she was furnished by the receiver with an office in the Luhrs Building and a competent stenographer and with stationery, all without expense to her, while deponent furnished his own office, stationery, etc. and a stenographer with years of experience in similar work.

18. That the services rendered by affiant, as set forth in this affidavit, and as separate and apart from the services set forth in the petition filed by affiant on October 15, 1937, are of the reasonable value as follows:

(a) The sum of \$7,500.00 for assisting in the preparation and trial of the application for the appointment of an ancillary receiver in the United States District Court for the District of Oregon, including the appeal to the United States Circuit Court of Appeals for the Ninth Circuit which affirmed the order of the United States District Court refusing to appoint the ancillary receiver and the denial by the Supreme Court of the United States of the petition for certiorari to review the judgment of the United States Circuit Court of Appeals.

(b) The sum of \$7,500.00 for assisting in the preparation and trial of the application for the appointment of an ancillary receiver in the United States District Court for the Southern District of California, Central Division, including the appeal to the United States Circuit Court of Appeals for the Ninth Circuit which affirmed the order of the

United States District Court refusing to appoint the ancillary receiver, and the denial by the Supreme Court of the United States of the petition for certiorari to review the judgment of the United States Circuit Court of Appeals.

(c) The sum of \$10,000.00 for services rendered in [264] assisting in securing the appointment of an ancillary receiver in the State of Utah, which was the state in which defendant was organized, thereby subjecting defendant's books, records and assets to the jurisdiction of the United States District Court for the District of Arizona.

(d) The sum of \$5,000.00 for services rendered in assisting the securing of the appointment of an ancillary receiver in the United States District Court for the District of Wyoming, thereby subjecting the assets of defendant located in the State of Wyoming to the jurisdiction of the United States District Court for the District of Arizona, which assets had a total adjusted value of \$579,265.74 as of the date of the report and account of the present receiver filed herein on February 23, 1943.

(e) The sum of \$500.00 for services rendered in the preparation and trial of the case of *Forst v. Intermountain Building and Loan Association, et al*, in the Superior Court of Maricopa County, Arizona and in the Supreme Court of Arizona, as reported in Vol. 49 Ariz. 246, 65 Pac. (2d) 1379, whereby the state courts recognized the exclusive jurisdiction of the United States District Court for the District of Arizona to control and admin-

ister the receivership, including the adjudication of creditors' liens.

(f) The sum of \$10,000.00 for services rendered over a period of sixteen months as attorney for Henry S. McCluskey, during his tenure as receiver for defendant, which included the preparation and presentation of 549 petitions, applications and orders in connection with the receivership, many of which required investigations [265] of questions of law pertaining thereto; and also including associate services performed at the request of the attorney for the present receiver in recovering the sum of \$12,500.00 for the receivership estate upon the supersedeas bond posted upon the appeal to the United States Circuit Court of Appeals for the Ninth Circuit from the interlocutory order issued herein appointing an ancillary receiver; and also for services rendered in the Superior Court of Yavapai County, Arizona, in the case of *Favour & Baker v. Hill*, Receiver, etc., wherein the judgment of the Superior Court was reversed by the Supreme Court of Arizona upon the holding that the Superior Court was without jurisdiction to enter the particular judgment it did enter, as reported in Vol. 52 Ariz. 561, 84 Pac. (2d) 575; and also for the services rendered in realizing for the receivership estate assets located in Canada; and also for general services rendered to the receiver and to the Court over said period of sixteen months.

19. That the total reasonable value of said services as enumerated and performed by affiant, and

which affiant now claims for such services, as set forth in the foregoing paragraph 18, is the sum of \$40,500.00.

20. That this affidavit is filed by deponent in support of his petition filed herein to review and rehear said order entered herein on December 7, 1942.

Dated at Phoenix, Arizona, this 31st day of March, 1944.

(Seal)

THOMAS W. NEALON

Subscribed and sworn to before me this 31 day of March, 1944.

RUBY BELLE STERLING

Notary Public

My commission expires 9/22/45. [266]

[Endorsed]: Filed Mar. 31, 1944. [267]

[Title of District Court and Cause.]

ACKNOWLEDGMENT OF SERVICE

The undersigned, attorney for Harry W. Hill, Receiver of the Intermountain Building & Loan Association, a corporation, defendant herein; and the undersigned, attorney for said defendant, do acknowledge that Thomas W. Nealon has served upon and left with them on the date hereof, the following documents:

(1) Petition of Thomas W. Nealon requesting this Honorable Court to review and rehear final

order fixing attorney's fees and expenses of Thomas W. Nealon, made and entered herein on December 7, 1942.

(2) Memorandum of points and authorities in support of petition of Thomas W. Nealon to review and rehear final order fixing attorney's fees and expenses of Thomas W. Nealon made and entered herein on December 7, 1942.

(3) Affidavit of Thomas W. Nealon.

Dated at Phoenix, Arizona, this 31st day of March, 1944.

LOUIS B. WHITNEY,
Attorney for Harry W. Hill, Receiver of Intermountain Building & Loan Association, defendant.

MOORE & SHIMMEL,
Attorney for defendant, Intermountain Building & Loan Association.

By JAMES W. MOORE. [268]

[Endorsed]: Filed Mar. 31, 1944.

[Title of District Court and Cause.]

ANSWER

Comes Now Harry W. Hill, the duly appointed, qualified and acting Receiver of Intermountain Building & Loan Association, a corporation, by his attorney undersigned, and answers the petition of Thomas W. Nealon filed herein on the 20th day of March, 1944, as follows:

FIRST DEFENSE

That the petition shows upon its face that this Court has no jurisdiction over the subject matter of said petition.

SECOND DEFENSE

That the petition shows upon its face that this Court has no jurisdiction of the parties.

THIRD DEFENSE

That the petition fails to state a claim upon which relief can be granted.

FOURTH DEFENSE

1. Admits the allegation of Paragraph I of said petition.

2. Admits the allegations of Paragraph II of said petition. [270]

3. Admits that petitioner and Elizabeth G. Monaghan were appointed attorneys for Henry S. McCluskey on or about the 30th day of November, 1935; alleges that he is without knowledge or information sufficient to form a belief as to the truth of every other allegation contained in Paragraph III of the petition.

4. Alleges that he is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph IV of the petition.

5. Admits that proceedings for the appointment of an Ancillary Receiver of defendant, Intermoun-

tain Building & Loan Association, a corporation, in the State of California were instituted in the District Court of the United States for the Southern District of California, Central Division; admits that from an adverse judgment in said proceedings an appeal was prosecuted to the United States Circuit Court of Appeals for the Ninth Circuit and that said judgment on said appeal was affirmed; denies each and every other allegation contained in said Paragraph V; further answering said Paragraph V, alleges that if any services were performed by petitioner in the cause described in said Paragraph V, they were performed on behalf of the creditors and not on behalf of this answering Receiver and such services, if any, were not requested by this answering Receiver or by his attorneys.

6. Admits that the proceedings for the appointment of an Ancillary Receiver of Intermountain Building & Loan Association in the State of Oregon were instituted in the District Court of the United States for the District of Oregon; admits that from an adverse judgment an appeal was prosecuted to the United States Circuit Court of Appeals for the Ninth Circuit and that the judgment of said District Court was affirmed; denies each and every other allegation contained in Paragraph VI of the petition; further answering said Paragraph VI, this answering Receiver [271] alleges that if any services were performed by petitioner in the cause described in said Paragraph

VI, they were performed on behalf of the creditors and not on behalf of this answering Receiver, and such services, if any, were not requested by this answering Receiver or by his Attorneys.

7. Admits the allegations of Paragraph VII of the petition insofar only as such allegations refer to events and transactions with which petitioner was concerned prior to April 1st, 1937, which events and transactions related solely to the attempt of petitioner to have an Ancillary Receiver appointed in Oregon; denies all other allegations in said Paragraph VII; alleges that petitioner in the proceedings referred to represented two creditors of Intermountain Building & Loan Association, a corporation, to-wit Gallegos and Gudmundsen, and not this answering Receiver.

8. Denies each and every allegation contained in Paragraph VIII of the petition.

9. Alleges that he is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph IX of the petition.

10. Admits that petitioner filed a petition herein on October 15th, 1937, for the allowance of compensation as therein set forth and claimed; admits that said petition duly came on for hearing before this Court on December 20th, 1937; admits that this Court considered said petition and the testimony offered by petitioner in support thereof; alleges that subsequent to the hearing on said petition this Court, on the 21st day of February, 1938, duly entered an order authorizing and directing

this answering Receiver to pay to petitioner \$5,000.00 on account of services claimed by petitioner; alleges that thereafter and on March 6th, 1939, this Court entered its further order authorizing and directing the Receiver to pay the petitioner an additional \$2,500 [272] on account of services claimed by him; alleges that on December 7th, 1942, this Court made and entered its order designated "Final Order Fixing Attorney's Fees and Expenses and Ordering Payment of Balance to Thomas W. Nealon," by which order it was adjudged and decreed that the total compensation of the petitioner, Thomas W. Nealon, was fixed at \$12,500.00, same being one-half ($\frac{1}{2}$) of the total compensation fixed and allowed for all services rendered by petitioner and his co-attorney (Elizabeth G. Monaghan), and by which order it was adjudged and decreed that the Receiver of Intermountain Building & Loan Association was authorized, empowered and directed to pay to the said petitioner, Thomas W. Nealon, the sum of \$5,000.00 as and for the balance of said \$12,500.00 fixed by this Court as final compensation for all services heretofore rendered and performed by said Thomas W. Nealon, and by which order it was further adjudged and decreed that the Receiver be authorized, empowered and directed to pay to said petitioner, Thomas W. Nealon, the additional sum of \$1,330.40, being expenses incurred by said petitioner as set forth in his said petition; alleges that in said order it was further adjudged and decreed as follows:

“It Is Further Ordered, Adjudged and Decreed and the Court does hereby Order, Adjudge and Decree that this is a final allowance and covers all services heretofore rendered by said Thomas W. Nealon, as set forth in his said petition and as attorney for the former receiver.

It Is Further Ordered, Adjudged and Decreed, and the Court does hereby Order, Adjudge and Decree that the petitioner, Thomas W. Nealon, have a lien upon the assets of Intermountain Building & Loan Association, an Utah corporation, now in the hands of Harry W. Hill, as receiver of such association, for the said sums of \$5,000.00 and \$1,330.40 respectively, until such sums are paid; and that each of the creditors of said association who have elected to accept the benefit of said petitioner's efforts bear their proportionate share of such allowance.”

Further answering said Paragraph X, it is alleged that [273] said final order covered the sum of \$7,344.00 for salary and expenses of petitioner as one of the attorneys for the former Receiver, Henry S. McCluskey, between the dates of December 1st, 1935, and April 1st, 1937; denies that said \$7,344.00 mentioned in Paragraph X was for a drawing account and in this behalf alleges that it covered all services rendered as attorney for the former Receiver, Henry S. McCluskey and for his co-receiver, George A. Mauk.

11. Denies that said order entered herein by this Court on December 7th, 1942, awarding compensation and expenses of petitioner, deprived petitioner of just and proper compensation for services enumerated in Paragraphs III, IV, V, VI and IX of his petition, or at all; and in this behalf alleges that no appeal was taken from said final order mentioned in Paragraph 10 of this answer within the time required by law, or at all.

12. Admits the allegations in Paragraph XII of the petition that said order fixed and adjudged the total compensation payable to petitioner for all services rendered by petitioner as set forth in his petition lately filed herein and in this behalf alleges that said order was not a "purported" order but was a final appealable order and that no appeal was taken from said order by petitioner within the time required by law, or at all.

13. Alleges in answer to Paragraphs XIII, XIV and XV that this Court, subsequent to the 20th day of December, 1937, and pursuant to the petitions then on file on behalf of petitioner, entered its first order on February 21st, 1938, allowing \$5,000.00 on account, and its second order on March 6th, 1939, allowing \$2,500.00 on account, and thereafter on the 7th day of December, 1942, entered its final order fixing attorney's fees and expenses of petitioner and ordering payment thereof and making the same a lien on the assets of Inter-mountain Building & Loan Association in the hands of the Receiver, and that no appeal [274] was

taken from said final order within the time required by law, or at all.

14. Denies each and every allegation contained in Paragraph XVI of the petition.

15. Alleges that he is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph XVII of the petition.

16. Admits the allegations of Paragraph XVIII of the petition.

17. Admits the allegations of Paragraph XIX of the petition, to the effect that the brief mentioned contained the language set forth in said paragraph; alleges that said brief had no effect, beneficial to this answering Receiver, on said Circuit Court.

18. Alleges that he is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph XX, except the quotation from the opinion of the Circuit Court of Appeals.

19. Denies each and every allegation contained in Paragraph XXI.

20. Denies each and every allegation contained in Paragraph XXII.

FIFTH DEFENSE

1. For a further separate and distinct defense to the petition, this answering Receiver alleges that heretofore to-wit and on the 15th day of October, 1937, petitioner herein filed his petition for the allowance of compensation for professional services

performed by him and expenses incurred, and that thereafter and on the 20th day of December, 1937, the matter came on for hearing, and that evidence was produced, both oral and documentary, and the Court not being fully advised in the premises, took said matter under advisement. [275]

2. Alleges that thereafter and on the 21st day of February, 1938, this Court made an allowance to petitioner of \$5,000.00, and ordered and directed the Receiver to pay same and that said amount was paid by said Receiver to the petitioner pursuant to said order; that thereafter on March 6th, 1939, a further order was made allowing petitioner \$2,500.00 and authorizing and directing Receiver to pay said sum to petitioner, which said sum was, by said Receiver, paid to petitioner.

3. Alleges that thereafter and on the 7th day of December, 1942, the Court in the above entitled matter, being the same matter as set forth in the petition lately filed herein, entered its final order and judgment fixing attorney's fees and expenses of petitioner in words and figures as shown by the order dated December 7th, 1942, and on file herein and which is made a part hereof, the same is if set forth herein at length; that said final order has not been set aside, modified or reversed; and that said final order has been fully complied with and satisfied by payment to the petitioner by this answering Receiver of the sum of \$6,330.40, covering the items set forth in said final order, to-wit: \$5,000.00 as and for balance of final compensation for all services performed by petitioner, and \$1,-

330.40 expenses incurred by petitioner. That said payment was made on or about the 10th of December, 1942, by check duly endorsed by petitioner and paid out of the funds of the Receiver of Intermountain Building & Loan Association on the 12th day of December, 1942.

SIXTH DEFENSE

For a further separate and distinct defense to the petition, this answering Receiver alleges that prior to the filing of the petition herein and on or about the 10th day of December, 1942, in accordance with a final order of Court entered in the above entitled matter on the 7th day of December, 1942, the Receiver paid to petitioner, and the petitioner accepted from the [276] Receiver, \$6,-330.40 in full satisfaction of the claim or claims alleged in said petition.

SEVENTH DEFENSE

For a further separate and distinct defense to the petition, this answering Receiver alleges that heretofore to-wit and on the 7th of December, 1942, petitioner recovered a judgment or final order for attorney's fees and expenses; that no appeal was taken from said judgment or final order within the time required by law, or at all; that petitioner without complaint and with full knowledge of the character of said judgment or final order, has accepted and retained the pecuniary benefits thereunder in that on or about the 10th day of Decem-

ber, 1942, petitioner requested of and accepted from the Receiver, a voucher check in words and figures as follows, to-wit:

Harry W. Hill, Receiver for

INTERMOUNTAIN BUILDING & LOAN ASSOCIATION
Phoenix, Arizona

No. 3999

Date December 10, 1942

Pay to the order of THOMAS W. NEALON.....\$6,330.40
The Sum of \$6330 and 40 Cts. Dollars

INTERMOUNTAIN BUILDING & LOAN
ASSOCIATION

By HARRY W. HILL, Receiver

To Valley National Bank
Phoenix, Arizona
91-2 12 Los A.

Do Not Detach—This check will not be paid if voucher
is detached or altered

Date or Invoice No.	Items	Amount	Total
B-202—Final Payment in Full Settlement of Attorney Fees Per Order of Court of December 7, 1942.....		\$5,000.00	
Expenses Allowed Per Order of Court of December 7, 1942....		1,330.40	
			\$6,330.40

2M 5-41 A.P.

By GHD

Correct-Auditor

with check contained an endorsement provision which was duly en- [277] dorsed by the petitioner in words and figures as follows:

Endorsement

Endorsement of this check acknowledges payment in full for all of the invoices listed on the voucher on the reverse side of this check

THOMAS W. NEALON

That petitioner cashed said check and received the proceeds thereof and retained same.

Wherefore, Receiver having fully answered, prays that the petition herein be denied and dismissed and that he have his costs and such other relief as may be meet in the premises.

LOUIS B. WHITNEY

Attorney for Harry W. Hill, Receiver of Inter-
mountain Building & Loan Association, 1006
Luhrs Tower, Phoenix, Arizona

Service admitted by receipt of copy this 8th day
of May, 1944.

LESLIE C. HARDY

Atty. for Petitioner.

[Endorsed]: Filed May 8, 1944. [278]

[Title of District Court and Cause.]

ORDER FOLLOWING PRE-TRIAL CONFER-
ENCE PURSUANT TO RULE 16 OF THE
FEDERAL RULES OF CIVIL PROCED-
URE

Pursuant to an order of the Court made and entered on May 8, 1944, in the matter of the petition of Thomas W. Nealon requesting this Court

to review and rehear the final order fixing attorney's fees and expenses of Thomas W. Nealon, made and entered herein on December 7, 1942, a pre-trial conference of the attorneys for said petitioner, and for Harry W. Hill, receiver for defendant, was held before the Court on May 15, 1944, at which time Leslie C. Hardy, Esq., appeared as attorney for said petitioner, and Louis B. Whitney, Esq., appeared as attorney for said receiver.

Thereupon, said petition, and answer thereto, and other relevant matters, were considered, whereupon the following action was concluded upon:

I.

The allegations of paragraph I of said petition are admitted. [279]

II.

The allegations of paragraph II of said petition are admitted.

III.

The allegations of paragraph III of said petition are admitted, except that counsel for the receiver does not admit that the services performed by petitioner, as therein alleged, were responsible for marshalling and subjecting the book-value assets of the defendant in the amount of \$1,717,983.16 to the payment of defendant's creditors, or that such services were in addition to the services enumerated in the petition filed herein by petitioner on October 15, 1937.

IV.

The allegations of paragraph IV of said petition are admitted for the period November 30, 1935 to April 1, 1937, except that counsel for the receiver is not informed of the extent or nature of the services therein claimed by petitioner.

V.

The allegations of paragraph V of said petition are admitted, except that counsel for the receiver denies that the receiver, Harry W. Hill, or his attorneys, requested petitioner to appear on behalf of plaintiffs and appellants in said proceedings. Counsel for petitioner and the receiver agree that prior to the appointment of Harry W. Hill, as receiver, petitioner appeared of counsel for plaintiffs therein, including Henry S. McCluskey and George A. Mauk, who were then co-receivers of defendant, for the purpose of preparing and instituting said suit in the United States District Court for the Southern District of California, Central Division, and that after the appointment of Harry W. Hill, as receiver, petitioner appeared for the petitioning creditors, and all creditors similarly [280] situated, and not for the said Harry W. Hill, as receiver, in the proceedings in the District Court, and in the United States Circuit Court of Appeals for the Ninth Circuit, and in the Supreme Court of the United States.

VI.

The allegations of paragraph VI of said petition are admitted, with the same exceptions applying to the Oregon proceedings as stated in the foregoing paragraph V applying to the California proceedings.

VII.

The allegations of paragraph VII of said petition are admitted, with the exception that petitioner did not represent Harry W. Hill, as receiver, subsequent to this appointment as such receiver, but that after such time petitioner represented the petitioning creditors, and all creditors similarly situated. Counsel for the petitioner and the receiver agree that the fee paid to Wilson & Reilly, attorneys, was \$5,000.00 instead of \$7,500.00.

VIII.

The allegations of paragraph VIII of said petition are denied by counsel for the receiver. Counsel for petitioner and receiver agree that the allegations of said paragraph present questions of law for decision of the Court.

IX.

The allegations of paragraph IX of said petition are admitted, with the exception that counsel for the receiver denies that petitioner's services, as therein alleged, were not set forth in the petition filed herein by petitioner on October 15, 1937, and further denies that petitioner made no claim at that time for compensation for such services. [281]

X.

Counsel for receiver admits the allegations of paragraph X of said petition as supplemented by paragraph 10 of the receiver's answer, but denies that said order mentioned in said paragraph 10 was, or is, a final order, or that it adjudged and decreed the total compensation to which petitioner is entitled, or that it covered all services rendered by petitioner as attorney for the former receiver and/or receivers, and petitioner contends that the compensation of \$7,344.00 paid petitioner by said order was for a drawing account as ordered by this Court and not for salary.

XI.

The allegations of paragraph XI of said petition are denied by counsel for the receiver. Counsel for petitioner admits that no appeal was taken from said order, but denies that said order was a final appealable order, or that said order is not now subject to review.

XII.

Counsel for receiver admits the allegations of paragraph XII of said petition, as supplemented by paragraph 12 of his answer. Counsel for petitioner asserts the order referred to in said paragraphs was not a final order, but admits no appeal was taken therefrom.

XIII., XIV. and XV.

The allegations of paragraph XIII, XIV and XV are admitted by counsel for the receiver; and

in this behalf, counsel for petitioner admits the allegations of fact set forth in paragraph 13 of receiver's answer, but denies that the order entered by this Court on December 7, 1942, was a final order as claimed by the receiver.

XVI.

The allegations of paragraph XVI of said petition are [282] denied by counsel for the receiver. Counsel for petitioner and the receiver agree that the allegations of said paragraph present questions of law for the consideration of the Court.

XVII.

The allegations of paragraph XVII of said petition are admitted by counsel for the receiver, with the exception that counsel for the receiver and the petitioner agree that the amount of \$7,500.00, as alleged therein, should be \$5,000.00.

XVIII.

The allegations of paragraph XVIII of said petition are admitted by counsel for the receiver.

XIX.

The allegations of paragraph XIX of said petition (which is corrected by agreement to read "XIX" instead of "IX") are admitted by counsel for the receiver.

XX.

The allegations of paragraph XX of said petition are admitted by counsel for the receiver.

XXI.

The allegations of paragraph XXI of said petition are denied by counsel for the receiver. Counsel for the petitioner and the receiver agree that the allegations of said paragraph present questions of law for the decision of the Court.

XXII.

The allegations of paragraph XXII of said petition are denied by counsel for the receiver. Counsel for the petitioner and receiver agree that the allegations of said paragraph present questions of law for the decision of the Court.

XXIII.

Counsel for the receiver denies that petitioner is entitled to the relief claimed by petitioner in the prayer of said petition. [283]

XXIV.

Counsel for the petitioner resists the First Defense, Second Defense and Third Defense of the Receiver's Answer, and asserts that each and all of said pleas are insufficient to constitute defenses to said petition.

XXV.

Counsel for petitioner admits paragraphs numbered 1 and 2 of the Fifth Defense of the Receiver's Answer. Counsel for petitioner admits that this Court on December 7, 1942, made and entered the order referred to in paragraph numbered 3 of said Fifth Defense, but denies that said order is a

final order which deprives petitioner of the right to seek additional compensation as now claimed by petitioner.

XXVI.

Counsel for petitioner admits the allegations of the Sixth Defense of the Receiver's Answer, with the exception that he denies the order of December 7, 1942, is a final order which deprives petitioner of the right to seek additional compensation for the services rendered by him as set forth and claimed by petitioner in said petition.

XXVII.

Counsel for petitioner admits the allegations of the Seventh Defense of said Receiver's Answer, with the exception that he denies the order of December 7, 1942, referred to therein, is a final order. Counsel for petitioner asserts that the acceptance of said check by petitioner, and the payment of the amount thereof to him, did not operate to deprive petitioner of the right to seek additional compensation for the services performed by him as set forth and claimed by petitioner in said petition. Counsel for the petitioner further asserts that the conditions recited in said check did not, and could not, add to or take from the legal effect of said order made and [284] entered by this Court on December 7, 1942.

The Foregoing constituted the action which was taken at said pre-trial conference, and accordingly it is the order of this Court that the same is hereby approved, adopted and ordered filed.

Dated in the City of Phoenix, within said district, this 7th day of June, 1944.

DAVE W. LING

United States District Judge

Approved:

LESLIE C. HARDY

Attorney for Petitioner

LOUIS B. WHITNEY

For the Receiver

[Endorsed]: Filed June 7, 1944. [285]

[Title of District Court and Cause.]

MOTION TO SUBMIT PETITION

Comes now the petitioner, Thomas W. Nealon, and moves the Court for an order or judgment granting to petitioner the relief prayed for by his petition filed herein on March 31, 1944; and that by said order or judgment petitioner be awarded compensation for professional services performed by petitioner as attorney for the creditors herein, and also for professional services performed by petitioner as attorney for the receivers whom petitioner represented herein, and that such award be in an amount as is now just and proper, but in addition to the amount awarded by this Honorable Court to petitioner by its order entered herein on December 7, 1942.

This motion is based upon the petitions filed herein by petitioner on October 15, 1937, as supplemented, and on March 31, 1944, together with all

the records and proceedings herein which pertain to petitioner's claim for compensation for such services.

Dated this 21st day of November, 1944.

THOMAS W. NEALON

Pro se

LESLIE C. HARDY

Attorney for Petitioner,

Thomas W. Nealon [286]

Received copy of this Motion to Submit Petition on this 21st day of November, 1944.

LOUIS B. WHITNEY

By D. J. S.

Attorney for Defendant

[Endorsed]: Filed Nov. 21, 1944. [287]

[Title of District Court and Cause.]

STIPULATION TO SUBMIT ON BRIEFS
WITHOUT ORAL ARGUMENT

Comes Now the petitioner, Thomas W. Nealon, by his attorney undersigned, and Harry W. Hill, the duly appointed, qualified and acting Receiver of Intermountain Building & Loan Association, a corporation, by his attorney undersigned, and stipulate and agree that the motion to submit petition filed by Petitioner and the motion for order denying petition and dismissing same filed by Harry W. Hill as Receiver aforesaid, both be sub-

mitted to this Court for decision on the briefs filed and without oral argument, if the Court approves.

Dated at Phoenix, Arizona, this 22 nd day of November, 1944.

LESLIE C. HARDY

Attorney for Petitioner

LOUIS B. WHITNEY

Attorney for Harry W. Hill,
Receiver, etc. [288]

ORDER

Upon reading the foregoing stipulation,

It Is Ordered that the motions mentioned therein be and the same are hereby submitted for decision.

Dated at Phoenix, Arizona, this 22nd day of November, 1944.

DAVE W. LING,

Judge of the District Court of
the United States

[Endorsed]: Filed Nov. 22, 1944. [289]

[Title of District Court and Cause.]

MOTION FOR ORDER DENYING PETITION
AND DISMISSING SAME

Comes Now Harry W. Hill, the duly appointed, qualified and acting Receiver of Intermountain Building & Loan Association, a corporation, by his attorney undersigned, and moves the Court to enter an order denying petitioner's petition filed herein on March 31st, 1944, and dismissing same. This mo-

tion is based on either or all of the following grounds:

(a) That the petition on its face fails to state a claim upon which relief can be granted. (Subdivision (h) Rule 12);

(b) That the Court lacks jurisdiction of the subject matter (Subdivision (h) Rule 12);

(c) That the order entered by this Court on December 7th, 1942, and by the petition sought to be vacated, was a final order and no appeal was taken therefrom within the time required by law, or at all.

(d) That the petition shows on its face that petitioner accepted the benefits of the order of December 7th, 1942, and no appeal could have been taken in any event from such order after its benefits were accepted by petitioner.

(e) That this Court is now without jurisdiction to [290] vacate the order of December 7th, 1942, and is now without jurisdiction to grant a rehearing of said order.

(f) That a bill of review or a bill in the nature of a bill of review does not lie here because petitioner, having accepted the benefits of the order of December 7th, 1942, is estopped from reviewing said order.

(g) That a bill of review or a bill in the nature of a bill of review will not lie to correct errors on the face of the record, if any there are, because such bill was not filed before the time for appeal expired or within six (6) months from the entry of the order of December 7th, 1942.

(h) That, as a matter of law, this Court is with-

out jurisdiction to grant the prayer of the petition.

(i) That, as a matter of law, this movant is entitled, on the pleadings, to an order or judgment denying petition and dismissing same.

Wherefore, Harry W. Hill, as such Receiver, prays the Court for an order denying the petition and dismissing same.

Dated at Phoenix, Arizona, this 22nd day of November, 1944.

LOUIS B. WHITNEY

Attorney for Harry W. Hill,
Receiver, etc.

Received service of the within Motion for Order Denying Petition and dismissing same this 22nd day of November, 1944.

LESLIE C. HARDY

Attorney for Thomas W.
Nealon, Petitioner

[Endorsed]: Filed Nov. 22, 1944. [291]

[Title of District Court and Cause.]

MINUTE ENTRY

Of Wednesday, November 22, 1944
(Phoenix Division)

Honorable Dave W. Ling, United States District
Judge, Presiding

It Is Ordered that the Receiver's Motion for an Order Denying the Petition of Thomas W. Nealon

requesting this Honorable Court to review and rehear final order fixing attorney's fees and expenses of Thomas W. Nealon, made and entered herein on December 7, 1942, and dismissing same be and it is granted.

MINUTE ENTRY

Of Friday, November 24, 1944
(Phoenix Division)

Honorable Dave W. Ling, United States District
Judge, Presiding

Leslie Hardy, Esquire, moves on behalf of the petitioner, Thomas W. Nealon, that a copy of the printed transcript of record in the United States Circuit Court of Appeals for the Ninth Circuit in the case of Elizabeth G. Monaghan vs. Harry W. Hill, Receiver of the Intermountain Building and Loan Association, an Utah Corporation, No. 10408 be admitted in evidence in support of his petition filed herein on March 31, 1944, and that said exhibit be considered as filed as of the date of the filing of the said petition.

Whereupon, It Is Ordered that said motion be and it is granted. [292]

[Title of District Court and Cause.]

MINUTE ENTRY

Of Wednesday, November 29, 1944

(Phoenix Division)

Honorable Dave W. Ling, United States District
Judge, Presiding

Louis Whitney, Esquire, is present on behalf of
Harry W. Hill, Receiver of the Intermountain
Building & Loan Association, an Utah corporation.
Leslie Hardy, Esquire, is present on behalf of the
petitioner, Thomas W. Nealon.

Leslie Hardy, Esquire, states that the petitioner,
Thomas W. Nealon, desires the record to show that
said petitioner declines to amend or plead further
in this case.

Subsequently, the following order is entered:

[Title of Cause.]

FINAL ORDER DENYING PETITION AND
DISMISSING SAME

Thomas W. Nealon, petitioner herein, having
heretofore filed a motion to submit his petition filed
herein on March 31st, 1944, which motion was for
an order or judgment awarding petitioner com-
pensation for professional services, in addition to
the amount awarded by this Court to petitioner by
its order entered herein on December 7th, 1942; and
Harry W. Hill, the duly appointed, qualified and
acting Receiver of Intermountain Building & Loan
Association, an Utah corporation, having hereto-

fore filed herein a motion for order denying the said petition of Thomas W. Nealon and to dismiss same; and both parties having stipulated to submit said motions on briefs theretofore filed without oral argument, the Court ordered said motions submitted for decision; and the Court having, on the 22nd day of November, 1944, granted said motion of Harry W. Hill as such Receiver for an order denying petition of Thomas W. Nealon filed March 31st, 1944, and dismissing same, it is

Ordered that the motion filed by Thomas W. Nealon be and the same is hereby denied.

It Is Further Ordered that the motion of Harry W. Hill as Receiver herein for an order denying petition of Thomas W. Nealon and dismissing same be granted.

Now, Therefore, and in consideration of the premises, it is hereby

Ordered, Adjudged and Decreed that the petition of Thomas W. Nealon filed herein on March 31st, 1944, be denied and the same is hereby dismissed with prejudice.

Done in Open Court this 29 day of November, 1944.

DAVE W. LING,

United States District Judge

Approved as to form Nov. 29, 1944.

LESLIE C. HARDY

Attorney for Petitioner

Nealon. [293]

[Title of District Court and Cause.]

STATEMENT OF POINTS ON WHICH
THOMAS W. NEALON, PETITIONER
HEREIN, INTENDS TO RELY ON HIS
APPEAL, FILED PURSUANT TO RULE
75 (d) OF FEDERAL RULES OF CIVIL
PROCEDURE

I.

The trial court was without jurisdiction or power to enter the order of December 7, 1942 as and for a final order allowing and awarding to petitioner as total compensation the sum of \$5,000.00, in addition to the sum of \$7,500.00 theretofore received by petitioner for services performed on behalf of petitioning creditors of Intermountain Building and Loan Association, and also on behalf of the Receiver of said Association, for the reason that petitioner requested the court, at the time his petition filed on October 15, 1937 came on for hearing, for a partial award of compensation in the sum of \$12,500.00 only, and petitioner then reserved the right to claim additional compensation at a later time, and for the further reason that the pleadings and issues before the court at that time deprived the court of jurisdiction or power to enter the order which the court did enter on December 7, 1942 which purported to allow and award to petitioner total compensation in the sum of \$5,000.00, in addition to the sum of \$7,500.00 theretofore received by petitioner for such services.

II.

The petition filed by petitioner on October 15, 1937 [294] did not then claim or request an allowance by the trial court of an award for services which petitioner had rendered to the Receiver of Intermountain Building & Loan Association, and therefore the trial court was without jurisdiction or power to enter the order of December 7, 1942 which purported to allow to petitioner, as and for total compensation for all services rendered by petitioner, including the services rendered by petitioner to the receiver of Intermountain Building & Loan Association.

III.

The trial court was without jurisdiction or power to make the particular order entered on December 7, 1942 for the reason that there was no pleading to support said order and that no process was issued thereon and no notice thereof was served upon petitioner so as to support and justify the entry of said order.

IV.

The order entered by the trial court on December 7, 1942, allowing and awarding petitioner as total compensation the amount therein allowed and awarded was, and is, wholly inadequate, unconscionable and erroneous, measured by the extent of the services performed by petitioner and the benefits derived therefrom by the creditors of the Intermountain Building & Loan Association and by the receiver of said association, and the receivership estate.

V.

The services rendered by petitioner to the petitioning creditors of Intermountain Building & Loan Association, and to the receiver, were not less extensive or less valuable than the services rendered by Elizabeth G. Monaghan to them. The United States Circuit Court of Appeals for the Ninth Circuit on January 21, 1944, (140 Fed. 2d, 31) in reviewing said order of the trial court entered on December 7, 1942 reversed said order and awarded [295] additional compensation to said Elizabeth G. Monaghan. Measured by that decision and judgment of the Circuit Court of Appeals, the trial court by said order of December 7, 1942 committed error in fixing the amount of the allowance and award of compensation to petitioner herein.

VI.

The verified petition filed by petitioner on March 31, 1944, for the first time requested compensation for services performed by him for the receiver of Intermountain Building & Loan Association. Said petition is supported by the oath of petitioner for the receiver of Intermountain Building & Loan Association, and fixes the reasonable value of such services. Neither said verified petition nor supporting affidavit is controverted by the receiver, and therefore the order of the trial court entered herein on November 29, 1944, denying the petition filed herein by petitioner on March 31, 1944, is wholly unconscionable and erroneous in that it deprives

petitioner of just compensation earned by him for services performed on behalf of the receiver of Intermountain Building & Loan Association.

VII.

The uncontroverted and uncontradicted record and proceedings herein disclose that petitioner's services were and are of the value of not less than \$100,000.00 but, notwithstanding the record and proceedings in this respect, the trial court through error and an abuse of judicial discretion awarded to petitioner compensation for such services only in the sum of \$5,000.00, in addition to the sum of \$7,500.00 which had theretofore been received by petitioner.

VIII.

The allowance and award made by the trial court to the petitioner for services performed by him, as provided in the order entered December 7, 1942, was not, and could not have been, a [296] final order as said order purports to be, for the reason that said order was and is an administrative order in equity, subject to review and correction before the termination of the receivership proceedings.

IX.

The trial court entertained and considered the verified petition of the petitioner filed herein on March 31, 1944 to review and rehear said order entered on December 7, 1942, and after the entertainment and consideration of said petition, the trial court on November 29, 1944 denied said petition

and dismissed the same, and by thus entertaining and considering said petition filed by petitioner on March 31, 1944, and by denying said petition by the order entered by the trial court on November 29, 1944, both the order entered on December 7, 1942 and the order entered on November 29, 1944 then became subject to appeal and review within the time provided by law.

X.

The order entered on December 7, 1942, and the order entered on November 29, 1944, denying petitioner adequate compensation as set forth and requested by the petitions filed herein by petitioner on October 15, 1937 and March 31, 1944, constitute an abuse of sound judicial discretion and deprive petitioner of compensation to which he is rightfully entitled and unjustly enriches the receivership estate.

XI.

The trial court erred in refusing to allow and award to petitioner compensation requested in the petition filed on March 31, 1944 in addition to the compensation allowed and awarded by the trial court by the order entered December 7, 1942, for the reason that it was the duty of the trial court to entertain and consider said petition filed by petitioner on March 31, 1944 and to correct the errors of law and fact apparent in said order [297] entered on December 7, 1942, and to award petitioner compensation in such amount as appeared from the entire record and proceedings to be just and proper.

XII.

The acceptance by petitioner of the award made to him by the trial court by the order entered December 7, 1942 did not and could not bar or estop petitioner from claiming additional compensation for services performed to the creditors of Inter-mountain Building & Loan Association, and also to the receiver thereof, for the reason that petitioner by his petition filed October 15, 1937, as amended and supplemented, then requested a partial allowance for compensation for services performed to the petitioning creditors only and not for services performed to the receiver. The acceptance by petitioner of the amount of the award was an acceptance of an amount to which petitioner was entitled in all events and did not and could not bar or estop petitioner from thereafter claiming additional compensation in such amount as was just and proper which he reserved the right to claim, and for compensation for services performed for the receiver which he had not claimed at the time of the entry of the order of December 2, 1942.

XIII.

The trial court, by entertaining and considering the petition filed by petitioner on March 31, 1944, and denying and dismissing the same on November 29, 1944, again put in issue the petition filed by petitioner on October 15, 1937 and also the order of the trial court entered thereon on December 7, 1942, and reopened the order of December 7, 1942 for appeal and review.

XIV.

The order of the trial court entered on December 7, 1942, insofar as it purported to deny petitioner compensation for services performed by him for and on behalf of the receiver of Intermountain Building & Loan Association, deprived petitioner of [298] just compensation for such services without notice or hearing because petitioner did not claim compensation for such services until the filing of the petition on March 31, 1944, and by reason thereof the trial court was without jurisdiction or power to enter the order of December 7, 1942 which deprived petitioner of compensation for such services.

Dated at Phoenix, within the District of Arizona, this 7th day of December, 1944.

LESLIE C. HARDY

Attorney for Petitioner,

Thomas W. Nealon

Received a copy of the within document this 7th day of December, 1944.

(S) LOUIS B. WHITNEY

Attorney for Receiver

[Endorsed]: Filed Dec. 7, 1944. [299]

[Title of District Court and Cause.]

NOTICE OF APPEAL TO THE UNITED
STATES CIRCUIT COURT OF APPEALS
FOR THE NINTH CIRCUIT UNDER
RULE 73 (b)

Notice Is Hereby Given that Thomas W. Nealon, petitioner herein, hereby appeals to the United States Circuit Court of Appeals for the Ninth Circuit from that certain order made and filed herein on December 7, 1942, entitled: "Final Order Fixing Attorney's Fees and Expenses, and Ordering Payment of Balance Due Thomas W. Nealon," and entered herein on the Clerk's Docket on December 7, 1942.

The said Thomas W. Nealon hereby also appeals to the United States Circuit Court of Appeals for the Ninth Circuit from that certain order made and filed herein on November 29, 1944, entitled: "Final Order Denying Petition and Dismissing Same," and entered herein on the Clerk's Docket on November 29, 1944.

Dated at Phoenix, within the District of Arizona, this 7th day of December, 1944.

LESLIE C. HARDY

Attorney for Appellant,

Thomas W. Nealon

[Endorsed]: Filed Dec. 7, 1944. [300]

[Title of District Court and Cause.]

BOND ON APPEAL

Know All Men By These Presents: That Thomas W. Nealon, petitioner and appellant herein, as principal, and Fidelity and Deposit Company of Maryland, a corporation organized and existing under the laws of the State of Maryland and duly authorized to transact its corporate business within the State of Arizona, as surety, are firmly held and bound unto Intermountain Building & Loan Association, a corporation, defendant above named, and to Harry W. Hill, as Receiver of the said Intermountain Building & Loan Association, in the principal sum of Two Hundred Fifty and No/100 (\$250.00) Dollars lawful money of the United States of America, to be paid to said Intermountain Building & Loan Association and to said Harry W. Hill, as Receiver thereof, its and his successors or assigns, for which payment well and truly to be made we bind ourselves, our successors and assigns firmly by these presents.

The condition of this obligation is such that:

Whereas, certain orders were made and entered herein on December 7, 1942 and November 29, 1944, respectively, in the above entitled cause of action, wherein and whereby the same were against the said Thomas W. Nealon, as such petitioner, the [301] principal herein, and in favor of the above named Intermountain Building & Loan Association, a corporation, and the said Harry W. Hill, as the Receiver therefor; and,

Whereas, the said petitioner, Thomas W. Nealon, has appealed to the United States Circuit Court of Appeals for the Ninth Circuit from said orders;

Now, Therefore, if the said Thomas W. Nealon shall prosecute his said appeal with effect and shall pay all costs which have accrued in the United States District Court for the District of Arizona and which may accrue in the United States Circuit Court of Appeals for the Ninth Circuit, then this obligation shall be void; otherwise it shall remain in full force and virtue.

In Witness Whereof the said Thomas W. Nealon, as principal, and said Fidelity and Deposit Company of Maryland, as surety, have executed these presents on this 7th day of December, 1944.

THOMAS W. NEALON

Principal

(Seal)

FIDELITY AND DEPOSIT
COMPANY OF MARYLAND

By F. E. SCRIVNER

Attorney-in-Fact, Surety

Received a copy of the within document this 7th day of December, 1944.

LOUIS B. WHITNEY (D.S.)

Attorney for Receiver

[Endorsed]: Filed Dec. 7, 1944. [302]

GUADALUPE R. GALLEGOS, and FRANCES-
CA GALLEGOS, his wife; INGA G. GUD-
MUNDSEN; and MATA E. DEXTER in their
own behalf and in behalf of others similarly
situated,

Plaintiffs,

vs.

INTERMOUNTAIN BUILDING AND LOAN
ASSOCIATION, a Corporation,
Defendant.

EDWARD O'REILLY, KITTY R. CROSSMAN
and FRANK W. NELSON,
Intervenors,

H. C. SMOOT and SOPHIA SMOOT,
Intervenors,

N. S. HERRING,
Intervenors.

Date	Document Number	Filings—Proceeding
Dec. 7, 1942	1908	Enter and file Final Order Fixing At- torneys' Fees and Expenses, and Order- ing Payment of Balance Due Thomas W. Nealon. Mail copy of order No. 1908 to Thomas W. Nealon.
* * *		
Nov. 29, 194 2 4	.....	Whitney pres. Hardy pres. Leslie Hardy, Esq., appears on behalf of Peti- tioner Thomas W. Nealon, and states that Petitioner Nealon desires the rec- ords to show that said Petitioner de- clines to amend or plead further.

Nov. 29, 1944 2071 Enter and file Order denying Petition of Thomas W. Nealon filed March 31, 1944 and dismissing same with prejudice.

[303]

In the District Court of the United States
In and for the District of Arizona

No. E-268 Phoenix

GUADALUPE R. GALLEGOS and FRANCESCA GALLEGOS, his wife, INGA G. GUDMUNDSEN, and MATA E. DEXTER, in their own behalf and in behalf of others similarly situated,

Plaintiffs,

vs.

INTERMOUNTAIN BUILDING & LOAN ASSOCIATION, a corporation,

Defendant.

MOTION TO SEND TO UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT IN AID OF THE APPEAL OF THOMAS W. NEALON HEREIN, THE ORIGINAL TRANSCRIPT OF RECORD INSTEAD OF A CERTIFIED COPY THEREOF FILED HEREIN ON NOVEMBER 24, 1944 AND DESIGNATED AS PETITIONER NEALON'S EXHIBIT No. 1; AND ORDER THEREON.

The petitioner, Thomas W. Nealon, respectfully requests this Court to make and enter an order

herein authorizing and directing the Clerk of this Court to transmit to the Clerk of the United States Circuit Court of Appeals for the Ninth Circuit, in aid of the appeal of petitioner, Thomas W. Nealon, the original printed transcript of record filed in the United States Circuit Court of Appeals for the Ninth Circuit in the case of Monaghan, Appellant, vs. Hill, Appellee, No. 10408, and filed herein on November 24, 1944 as petitioner Nealon's Exhibit No. 1, instead of a certified copy of said printed record.

Dated this 6th day of December at Phoenix, Arizona.

LESLIE C. HARDY

Attorney for Petitioner,
Thomas W. Nealon

ORDER

Upon reading the foregoing petition,

It Is Ordered that the Clerk of this Court transmit to the Clerk of the Circuit Court of Appeals for the Ninth Circuit, in aid of the appeal of Thomas W. Nealon herein, the original printed transcript of record filed in the United States Circuit Court of Appeals for the Ninth Circuit in the case of Monaghan, Appellant, vs. Hill, Appellee, No. 10408, and filed herein on November 24, 1944 and designated as petitioner Nealon's Exhibit No. 1, instead of a certified copy of said exhibit, and to be returned to the Clerk of this Court after it is no longer required by said Circuit Court of Appeals.

Dated this 6 day of December at Phoenix, Arizona.

DAVE W. LING

United States District Judge

[304]

Received a copy of the within document this 5th day of December, 1944.

LOUIS B. WHITNEY (D.S.)

Attorney for Receiver

[Endorsed]: Filed Dec. 6, 1944. [305]

[Title of District Court and Cause.]

DESIGNATION OF CONTENTS OF RECORD
ON APPEAL PURSUANT TO RULE 75 (a)
OF THE FEDERAL RULES OF CIVIL
PROCEDURE.

Thomas W. Nealon, the petitioner herein, designates the following portions of the record and proceedings to be contained in the record on his appeal herein.

1. Petitioner Nealon's Exhibit No. 1, being copy of printed transcript of record in U. S. Circuit Court of Appeals for the Ninth Circuit in Elizabeth G. Monaghan, Appellant, vs. Harry W. Hill, as Receiver of the Intermountain Building and Loan Association, a corporation, Appellee, No. 10408, filed in this Court November 24, 1944.

2. Minute entry of order of November 24, 1944 granting motion of attorney for petitioner, Thomas

W. Nealon, that a copy of the printed transcript of record in U. S. Circuit Court of Appeals for the Ninth Circuit in the case of Monaghan v. Hill, Receiver, No. 10408, in the Circuit Court of Appeals, be admitted in evidence in support of Nealon's petition, filed March 21, 1944.

3. Motion to send to United States Circuit Court of Appeals for the Ninth Circuit in aid of the appeal of Thomas W. Nealon herein, the original transcript of record instead of a certified copy thereof filed herein on November 24, 1944 [306] and designated as petitioner Nealon's Exhibit No. 1; and order thereon, filed December 7, 1944.

4. Application of receiver for appointment of attorneys and order appointing attorneys, filed December 2, 1935.

5. Receiver's petition praying for instructions concerning trip to Utah and other states in reference to affairs of Intermountain Building and Loan Association and authorizing expenses therefor, filed December 2, 1935.

6. Order authorizing receiver and his counsel to make trip to Utah and other states and allowing expenses therefor, filed December 2, 1935.

7. Order for monthly allowance to Henry S. McCluskey as Receiver and directing the payment thereof, filed January 28, 1936.

8. Order for monthly allowance of attorney's fees to Elizabeth G. Monaghan, filed January 28, 1936.

9. Order for monthly allowance of attorney's fees to Thomas W. Nealon, filed January 28, 1936.

10. Petition of co-receivers for authority to institute suit in Idaho, filed March 27, 1936.

11. Order authorizing and directing Henry S. McCluskey and George A. Mauk, as co-receivers of Intermountain Building and Loan Association, to join with other plaintiffs in a suit in Idaho and to employ Idaho counsel, filed March 27, 1936.

12. Petition for allowance and payment of \$12,-500.00 upon account of fees to Thomas W. Nealon, filed December 20, 1937.

13. Final report and account of Henry S. McCluskey, as receiver of Intermountain Building and Loan Association, an Utah corporation; and petitions praying for the approval thereof, for the determination and allowance of compensation to [307] petitioner, for final discharge and exoneration of bond, and for the court to set a date for hearing thereof and to determine the form of notice to be given and order thereon, filed September 3, 1937.

14. Order approving final account of Henry S. McCluskey, Receiver of Intermountain Building and Loan Association; granting his petition for discharge and exempting his bond; and order extending time for fixing and allowing compensation, filed October 12, 1937.

15. Petition of Thomas W. Nealon requesting this Honorable Court to review and rehear final order fixing attorney's fees and expenses of Thomas W. Nealon, made and entered herein on December 7, 1942, filed March 31, 1944.

16. Affidavit of Thomas W. Nealon, filed March 31, 1944.

17. Acknowledgment of service of Nealon's petition, filed March 31, 1944.

18. Answer of Harry W. Hill, Receiver, filed May 8, 1944.

19. Order following pre-trial conference pursuant to Rule 16 of the Federal Rules of Civil Procedure, filed June 7, 1944.

20. Motion to submit petition of Thomas W. Nealon, filed November 21, 1944.

21. Stipulation to submit petition on briefs without oral argument, filed November 22, 1944.

22. Motion of Harry W. Hill, receiver, for order denying petition and dismissing same, filed November 22, 1944.

23. Final order denying petition and dismissing same, filed November 29, 1944.

24. Statement of points on which petitioner Thomas W. Nealon, intends to rely on his appeal, filed December 7, 1944. [308]

25. Notice of appeal to the United States Circuit Court of Appeals for the Ninth Circuit under Rule 73 (b), filed December 7, 1944.

26. Bond on appeal, filed December 7, 1944.

27. Minute entry of order of November 22, 1944 granting receiver's motion for order denying petition of Thomas W. Nealon and dismissing the same.

28. Clerk's two (2) docket entries of November 29, 1944.

29. Clerk's docket entry of December 7, 1942 entering final order fixing attorney's fees and expenses and ordering payment of balance due Thomas W. Nealon.

30. This designation, filed December 7, 1944.

Dated at Phoenix, within the District of Arizona,
this 7th day of December, 1944.

LESLIE C. HARDY

Attorney for Petitioner,
Thomas W. Nealon

Received a copy of the within document this 7th
day of December, 1944.

LOUIS B. WHITNEY (D.S.)

Attorney for Receiver

[Endorsed]: Filed Dec. 7, 1944. [309]

[Title of District Court and Cause.]

DESIGNATION BY APPELLEE OF ADDI-
TIONAL PORTIONS OR RECORD, PRO-
CEEDINGS, AND EVIDENCE TO BE
TRANSMITTED TO THE UNITED
STATES CIRCUIT COURT OF APPEALS
FOR THE NINTH CIRCUIT TO BE CON-
TAINED IN THE RECORD ON APPEAL

To: The Clerk of the United States District Court
for the District of Arizona:

You are hereby requested, pursuant to the provi-
sions of Federal Rule 75(a) of Federal Rules for
Civil Procedure to incorporate into the Transcript
of Record on Appeal herein, in addition to the por-
tions of the record indicated by Appellant herein,
the following:

1. Petition of Thomas W. Nealon for Allowance of Attorneys fees for Legal Services Rendered and Expenses Incurred in the Preparation and Trial of the Above Entitled Suit. Filed October 15, 1937. (Document No. 893).

2. Order to Show Cause. Filed October 15, 1937. (Document No. 894).

3. Affidavit Re Order to Show Cause. Filed December 20, 1937. (Document No. 971).

4. All Minute Entries of December 20, 1937, pertaining to the captioned cause.

5. Petition for Out of Pocket Expenses. Filed by Thomas W. Nealon, December 20, 1937. (Document No. 974).

6. Order Allowing Thomas W. Nealon \$5,000.00. Filed February 10, 1938. (Document No. 1037).

[310]

7. Minute Entries of February 10, 1938, pertaining to above order.

8. Order Allowing Thomas W. Nealon \$2,500.00. Filed March 3, 1939. (Document No. 1351).

9. Minute Entries of March 3, 1939, pertaining to above order.

10. Final Order Fixing Attorneys Fees and Expenses and Ordering Payment of Balance to Thomas W. Nealon. Filed December 7, 1942. (Document No. 1908).

11. Minute and Docket Entries of December 7, 1942, relating to above order.

12. Docket Entry showing mailing notice and/or copy of Final Order of December 7, 1942, to Thomas W. Nealon.

13. Order submitting motions for decision. Filed November 22, 1944.

14. Minute Entries of November 29, 1944, showing that Petitioner Thomas W. Nealon declines to amend, and all other Minute Entries of November 29, 1944, pertaining to this cause.

15. Order Appointing John L. Gust as one of Attorneys for Receiver. Filed January 28, 1936. (Document No. 119).

16. Petition of Receiver for Allowance to John L. Gust as one of Attorneys for Receiver. Filed January 28, 1936. (Document No. 120).

17. Order for Allowance to John L. Gust. Filed January 28, 1936. (Document No. 121).

18. This Additional Designation.

Dated at Phoenix, Arizona, this 13th day of December, 1944.

LOUIS B. WHITNEY

Attorney for Appellee

Due Service of the within, by copy, acknowledged this 13th day of December, 1944.

LESLIE C. HARDY

Attorney for Appellant [311]

[Endorsed]: Filed Dec. 13, 1944. [312]

[Title of District Court and Cause.]

STIPULATION TO AMEND DESIGNATION
BY APPELLEE OF ADDITIONAL POR-
TIONS OF RECORD, PROCEEDINGS AND
EVIDENCE TO BE TRANSMITTED TO
THE UNITED STATES CIRCUIT COURT
OF APPEALS FOR THE NINTH CIR-
CUIT TO BE CONTAINED IN THE REC-
ORD ON APPEAL, FILED HEREIN ON
DECEMBER 14th, 1944

To the Clerk of the United States District Court
for the District of Arizona:

It Is Hereby Agreed, by and between Leslie C. Hardy, attorney for Thomas W. Nealon, petitioner and appellant herein, and Louis B. Whitney, attorney for Harry W. Hill, Receiver and Appellee herein, that item 6 of the Designation by Appellee of the Additional Portions of Record, Proceedings and Evidence to be Transmitted to the United States Circuit Court of Appeals for the Ninth Circuit to be Contained in the Record on Appeal, be amended as follows: "6. Order Allowing Thomas W. Nealon \$5,000.00 Filed February 18, 1938. (Document No. 1037)."

Dated at Phoenix, Arizona, this 20th day of December, 1944.

LESLIE C. HARDY

Attorney for Appellant

LOUIS B. WHITNEY

Attorney for Appellee [313]

Received a copy of the within mentioned document this 20th day of December, 1944.

LOUIS B. WHITNEY

Attorney for Appellee

[Endorsed]: Filed Dec. 20, 1944. [314]

In the United States District Court for the
District of Arizona

CLERK'S CERTIFICATE TO TRANSCRIPT
OF RECORD

United States of America,
District of Arizona—ss.

I, Edward W. Scruggs, Clerk of the United States District Court for the District of Arizona, do hereby certify that I am the custodian of the records, papers and files of the said Court, including the records, papers and files in the case of Guadalupe R. Gallegos, et al, Plaintiff, versus Intermountain Building and Loan Association, a corporation, Defendant, Case No. E-268-Phoenix, on the docket of said Court.

I further certify that the attached pages, numbered 1 to 314, inclusive, contain a full, true and correct transcript of the proceedings of said cause and all the papers filed therein, together with the endorsements of filing thereon as the same appear from the originals of record and on file in my custody as such Clerk, in the City of Phoenix, State and District aforesaid, as called for and designated in the Designation of Contents of Record on Ap-

peal and Additional Designation filed in said case and made a part of the transcript attached hereto.

I further certify that original Petitioner Nealon's Exhibit No. 1, copy of printed transcript of record in U. S. Circuit Court of Appeals for the Ninth Circuit in Elizabeth G. Monaghan, Appellant, vs. Harry W. Hill, as Receiver of the Intermountain Building and Loan Association, a corporation, Appellee, No. 10408, filed in said cause November 24, 1944, is transmitted with the transcript of record pursuant to order therefor entered November 24, 1944.

I further certify that the Clerk's fees for preparing and certifying to this said transcript of record amounts to the sum of \$51.25 and that said sum has been paid to me by counsel for the Appellant.

Witness my hand and the Seal of said Court this 30 day of December, 1944.

(Seal)

EDWARD W. SCRUGGS,

Clerk [315]

[Endorsed]: No. 10961. United States Circuit Court of Appeals for the Ninth Circuit. Thomas W. Nealon, Appellant, vs. Harry W. Hill, as Receiver of Intermountain Building & Loan Association, a corporation, Appellee. Transcript of Record. Upon Appeal from the District Court of the United States for the District of Arizona.

Filed January 8, 1945.

PAUL P. O'BRIEN,
Clerk of the United States Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals
for the Ninth Circuit

No. 10961

THOMAS W. NEALON,

Appellant,

vs.

HARRY W. HILL, as Receiver of Intermountain
Building & Loan Association, a corporation,
Appellee.

ADOPTION OF STATEMENT OF POINTS
FILED IN THE TRIAL COURT AS RE-
QUIRED BY SUB. 6, RULE 19

Thomas W. Nealon, appellant herein, who appeals to this Court from that certain order made and entered in the District Court of the United States for the District of Arizona in the suit of

Guadalupe R. Gallegos, et al, plaintiffs, vs. Inter-mountain Building & Loan Association, a corporation, defendant, No. E-268 Phoenix, entitled: "Final Order Fixing Attorney's Fees and Expenses and Ordering Payment of Balance Due Thomas W. Nealon," and entered in said Court on the Clerk's docket on December 7, 1942, and also from that certain order made and filed therein on November 29, 1944, entitled: "Final Order Denying Petition and Dismissing Same," and entered therein on the Clerk's docket on November 29, 1944, adopts as Appellant's Statement of Points on this appeal the Statement of Points filed in the District Court of the United States for the District of Arizona, which appears at pages 294 to 299, both inclusive, of the Transcript of Record prepared and transmitted to this Court by the Clerk of said United States District Court.

Dated this 6th day of January, 1945.

LESLIE C. HARDY,

Attorney for Appellant.

Service of the foregoing is acknowledged this 6th day of January, 1945.

LOUIS B. WHITNEY,

Attorney for Appellee.

[Endorsed]: Filed Jan. 9, 1945. Paul P. O'Brien, Clerk.

[Title of Circuit Court of Appeals and Cause.]

STIPULATION DESIGNATING PARTS OF
RECORD TO BE PRINTED ON APPEAL
OF APPELLANT, THOMAS W. NEALON

It Is Stipulated, by and between Thomas W. Nealon, Appellant herein, by his attorney, Leslie C. Hardy, Esq., and Harry W. Hill, as Receiver of Intermountain Building & Loan Association, a corporation, Appellee herein, by his attorney, Louis B. Whitney, Esq., that the following shall be included and printed in the Transcript of Record on the appeal of Thomas W. Nealon, viz:

(1) The whole of the Transcript of Record transmitted by the Clerk of the District Court of the United States for the District of Arizona to the Clerk of this Court in aid of said appeal, save and except there shall not be printed the following:

(a) Petition of Thomas W. Nealon for Allowance of Attorney's Fees for Legal Services Rendered and Expenses Incurred in the Preparation of the Trial, etc., filed in said District Court on October 15, 1937, which appears at pages 182 to 225, both inclusive, of the Transcript of Record herein prepared and transmitted to this Court by the Clerk of said United States District Court.

(b) Final Order Fixing Attorney's Fees and Expenses and Ordering Payment of Balance Due to Thomas W. Nealon, filed in said United States District Court on December 7, 1942, which appears at pages 238 to 239, both inclusive, of the Transcript of Record herein prepared and transmitted to this

Court by the Clerk of said United States District Court.

(2) It is further stipulated and agreed that the petition and order specified in the foregoing subparagraphs (a) and (b) are included and printed in the Transcript of Record on the appeal, entitled "Elizabeth G. Monaghan, Appellant, vs. Harry W. Hill, as Receiver of Intermountain Building & Loan Association, a corporation, Appellee," No. 10408, heretofore filed in the United States Circuit Court of Appeals for the Ninth Circuit, and that the Transcript of Record on said appeal, insofar as the same may be applicable, is hereby adopted as a part of the Transcript of Record on this appeal of the said Thomas W. Nealon, but omitting the Statement of Points and Stipulation beginning on pages 374 to 386, both inclusive, of said Transcript of Record, and it is agreed that said Transcript of Record is a true and correct transcription of the proceedings taken and had in said United States District Court in said case of *Monaghan v. Hill*.

(3) It is further stipulated and agreed that the Transcript of Record on said appeal in *Monaghan v. Hill*, No. 10408, *supra*, with said omissions, may be utilized and bound in by the Clerk of the United States Circuit Court of Appeals for the Ninth Circuit as a part of the printed Transcript of Record in this appeal of the said Thomas W. Nealon.

(4) It is further stipulated and agreed that a correct printed copy of the Transcript of Record on said appeal in *Monaghan v. Hill*, No. 10408,

supra, was filed in said United States District Court on November 24, 1944 as Appellant, Thomas W. Nealon's Exhibit No. 1, and that said exhibit is referred to in subdivisions 1, 2 and 3 of the Designation of Contents of Record on this appeal filed in the said United States District Court on the 7th day of December, 1944, and which Designation appears at pages 306 to 309, both inclusive, of the Transcript of Record herein prepared and transmitted to this Court by the Clerk of said United States District Court, and that said exhibit constitutes a part of the Transcript of Record herein as transmitted to this Court by the Clerk of said United States District Court.

(5) It is further stipulated and agreed that this stipulation is entered into for the purpose of saving printing costs and that Appellee does not waive his right to question the consideration of said Exhibit No. 1 by the above entitled Court for any legal reason as may appear.

Dated this 6th day of January, 1945.

LESLIE C. HARDY,

Attorney for Appellant,

Thomas W. Nealon

LOUIS B. WHITNEY

Attorney for Appellee, Harry
W. Hill, as Receiver, etc.

[Endorsed]: Filed Jan. 9, 1944. Paul P. O'Brien,
Clerk.